

BOARD OF WATER SUPPLY  
COUNTY OF MAUI

REGULAR MEETING  
THURSDAY, AUGUST 26, 2010

Held at the Department of Liquor Control  
Conference Room, David Trask Building, Room 105,  
Wailuku, Maui, Hawaii, commencing at 09:06 a.m.

Transcribed from the audio recording by Gaye  
Hayashida, Commission Support Clerk, Department  
of Water Supply, County of Maui.

1                   A P P E A R A N C E S

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4 BOARD MEMBERS:

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6       Michael Howden, Chair

7       Phyllis Robinson, Vice Chair

8       Kevin Boteilho

9       Donald Gerbig

10      John Hoxie, Jr.

11      Kui Lester

12      Kelli Myers

13      Ted Yamamura

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17 STAFF PRESENT:

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19      Jeffrey K. Eng, Director

20      Edward Kushi, Jr., Deputy Corporation

21           Counsel

22      Gaye Hayashida, Commission Support Clerk

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1 OTHERS:

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3 Glenn Kosaka

4 Robert Horcajo

5 Warren Watanabe

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1 CHAIR HOWDEN: Ok, I'd like to call our  
2 August 26 meeting of the Board of Water  
3 Supply to order, our meeting. I'd like to  
4 recognize members Kevin Boteilho, Don  
5 Gerbig, Ted Yamamura, Vice Chair Phyllis  
6 Robinson, Kelli Myers and John Hoxie. And  
7 Kui Lester will be along shortly once she  
8 gets her rent-a-car. Also in presence, ah,  
9 present are our Water Director, Jeffrey Eng  
10 and Deputy Corp Counsel, Ed Kushi. Did I  
11 forget anyone? Oh, Herb Chang is here as  
12 well, head of engineering; a couple of  
13 attorneys from the Corporation Counsel's  
14 office, Madelyn D'Enbeau and Mary Robinson?  
15 Did I get that right? Ok, anyone else did I  
16 miss? Besides you, Gaye. Gaye Hayashida.

17 MS. HAYASHIDA: Can you just speak a little  
18 louder so our court reporter can pick you  
19 up. I know you speak very softly, Michael,  
20 but she needs to hear your voice.

21 CHAIR HOWDEN: Ok, Oh ok, any  
22 announcements, Gaye?

23 MS. HAYASHIDA: There's this, ah, the,  
24 fiscal wants to set up a budget meeting and

1 we're looking at maybe sometime in October.  
2 We could hold it for October, the same day  
3 as our board meeting which is October 28<sup>th</sup>.  
4 If you want, she's needs about an hour but I  
5 do have appeals tentatively scheduled for  
6 October, so it may be a long one.  
7 Otherwise, you can have it on another  
8 meeting date before the 28<sup>th</sup> but we also have  
9 to go to Molo, I mean, Lana'i in October so,  
10 that's up to you. But she has to turn it  
11 in, unfortunately, to the Budget office by  
12 October 29<sup>th</sup>. So we can have it on the 28<sup>th</sup>.  
13 CHAIR HOWDEN: Ok.  
14 MEMBER HOXIE: Early October...?  
15 MS. HAYASHIDA: October 28<sup>th</sup>.  
16 MEMBER HOXIE: If we have appeals, are we  
17 gonna be pressed for time? Maybe we should  
18 have our meeting in early October sometime.  
19 MS. HAYASHIDA: But we have to go to Lana'i  
20 too.  
21 CHAIR HOWDEN: Yeah, we have to go back to  
22 Lana'i. Hopefully we can get you to come  
23 this time. We'll see. Ok.  
24 MS. HAYASHIDA: I'll try to see what the

1 attorney's schedule is like for October.

2 But it, they haven't been notified of their  
3 hearing date yet. So, maybe we can push it  
4 back.

5 CHAIR HOWDEN: Ok, great.

6 MS. HAYASHIDA: If you want to we can  
7 schedule it for October and I'll tell Holly  
8 to talk fast.

9 CHAIR HOWDEN: And this tentatively aim,  
10 aim at our regular board meeting and then  
11 we'll see what's happening with the  
12 different appeals.

13 MS. HAYASHIDA: And, yeah, then, because  
14 there's nothing really you guys can go about  
15 the budget. Can't make any changes anyway.

16 CHAIR HOWDEN: Thumbs down. Ok.

17 MS. HAYASHIDA: Yeah, so. But she does  
18 have to submit it to the Budget Office the  
19 next day.

20 CHAIR HOWDEN: Ok.

21 MS. HAYASHIDA: Kinda last minute but,  
22 yeah.

23 CHAIR HOWDEN: Ok, Approval of Minutes,  
24 minutes of our July 22<sup>nd</sup> meeting. Any

1 corrections? Don.

2 MEMBER GERBIG: I move.

3 MEMBER HOXIE: Second.

4 MEMBER GERBIG: For the approval.

5 CHAIR HOWDEN: Ok, those in favor?

6 (ayes)

7 CHAIR HOWDEN: Minutes of our August 11<sup>th</sup>

8 Lana'i Public Hearing. Everybody have

9 those, souvenirs?

10 (laughter)

11 CHAIR HOWDEN: Ah, any corrections or

12 deletions?

13 MEMBER GERBIG: It doesn't need to be an

14 approval; there was never a meeting, was

15 there?

16 MR. KUSHI: There was but it was adjourned.

17 MEMBER GERBIG: It was adjourned? Oh, ok.

18 I move.

19 CHAIR HOWDEN: Yeah, Ed, Ed adjourned it,

20 right?

21 MEMBER GERBIG: I move, the approved Lana'i

22 minutes, to open and close the meeting.

23 CHAIR HOWDEN: Ok. Ok, those in favor?

24 (ayes)

1 CHAIR HOWDEN: Thank you. Ok, we have 3  
2 members of the public testifying. Ah, Glenn  
3 Kosaka, I believe. I'm sure your  
4 handwriting is enigmatic, must be a medical  
5 doctor.

6 MR. KOSAKA: I, I, I thought of going to  
7 medical school but I wasn't smart enough.  
8 Good morning, Chairman Howden and members of  
9 the Board, Mr. Director and Mr. Corp  
10 Counsel. My name is Glenn Kosaka and I'll  
11 present this testimony on behalf of the Kula  
12 Community Federal Credit Union. The credit  
13 union remains keenly interested in the  
14 provision of clean, wholesome water to its  
15 constituency. Indeed, the credit union  
16 believes that it has a fiduciary  
17 responsibility to its members; to assist in  
18 fashioning appropriate remedies to the water  
19 problem not only of Upcountry Maui but other  
20 areas of Maui as well. In this regard the  
21 subject matter of item 8D on today's agenda  
22 is of paramount importance to the credit  
23 union and its members. The subject matter  
24 stated, has to do with the following;



1 updating the Upcountry Water List,  
2 calculating the amount of water needed to  
3 provide water for those on the list and on  
4 the General Plan Update, and three,  
5 developing a plan to meet these needs; and  
6 all of which underscore the critical role of  
7 water service today in maintaining and  
8 strengthening our economy and will  
9 increasingly fulfill in the future. (cough)  
10 Excuse me. There is a need for a  
11 comprehensive plan and public participation.  
12 Comprehensive, because presently it appears  
13 that the county's approaching water supply  
14 on a piecemeal basis, regionally. What we  
15 need is a comprehensive plan for water for  
16 each island. Maui, for instance, is not  
17 merely the Lahaina nor is it Upcountry nor  
18 Central nor East Maui. Maui is all of the  
19 above and more. Accordingly we need a  
20 comprehensive plan which would require among  
21 other concerns, a consideration of existing  
22 plans and usages, the county's sources and  
23 resources and the transmission capabilities,  
24 treatment capabilities and especially

1 withdrawal rights. These rights have been  
2 modified in the past and these rights should  
3 not be diminished. They should be  
4 exercised. Since the council must act to  
5 provide the legal framework concerning the  
6 Upcountry water meter list, the credit union  
7 views item 8D to be part of a process to  
8 provide recommendations to the department  
9 and the council. If this is so, it is  
10 incumbent upon this board to provide the  
11 public including the credit union and its  
12 members with an opportunity to comment upon  
13 the list and any additions to the list. It  
14 would be fair and proper for the public to  
15 consider and provide its views on the list  
16 and any additions thereto. This will  
17 provide the department and the council with  
18 the views of the public early in the  
19 consideration of the policies ultimately to  
20 be adopted by the county. Is the board  
21 planning to hold public hearings and obtain  
22 this public participation? As the county  
23 examines water needs based upon the general  
24 plan update, will there be any attempt to

1 move water between districts? If so, what  
2 would be the justification for this? How  
3 does the county intend to insure that the  
4 Upcountry farmers have an adequate supply of  
5 water? These and other concerns require a  
6 thorough broad based examination of Maui's  
7 water problems. In this regard, the county  
8 and this board should seek all available  
9 expertise to find solutions to our water  
10 predicament. The credit union and its  
11 members will continue to monitor the  
12 county's efforts regarding water and intends  
13 to provide its views and to render  
14 assistance on behalf of its membership.  
15 Thank you.

16 CHAIR HOWDEN: Thank you. Director Eng,  
17 did you want to respond to that all?

18 DIRECTOR ENG: No, no, but thank you very  
19 much.

20 MR. KOSAKA: Thank you.

21 CHAIR HOWDEN: No other questions from  
22 board members, ok. Thank you, Mr. Kosaka.  
23 Ah, Bob Horcajo.

24 MR. HORCAJO: Hi, good morning, Chairperson

1 Howden and fellow board members, Director  
2 Eng and Counsel Kushi. I guess as most of  
3 you remember, I was here testifying in May,  
4 board meeting, mainly asking that this body  
5 review the appeals rules and expedite the  
6 process so I was pleased to see in this  
7 agenda you have at least appeals although  
8 one is being withdrawn, and that are gonna  
9 be with you, I guess will be discussed this  
10 morning so. I guess, first I wanna thank  
11 the department for looking towards improving  
12 what we have and of course, you the board.  
13 I also noticed on the agenda under, I think,  
14 item A, 8B that there's gonna be some  
15 council discussion on pre-hearing procedures  
16 and I appreciate that. As y'know, one of  
17 your main functions is to deal with hearings  
18 and such. I guess I wanna make a comment  
19 that if you can really look at vetting all  
20 the options, I mean the real, the rules talk  
21 about mediation, informal settlements,  
22 arbitration, so I just wanna be sure that  
23 you folks think out of the box but of course  
24 still within the rules. My last comment I

1 guess, is the rules don't specifically and  
2 not just your rules but BVA, Planning  
3 Commission, don't really talk about the  
4 process after which time an actual notice  
5 is, is filed. I know for the BVA, once a  
6 notice is, is accepted by the Planning  
7 Department that appeal was sent quickly up  
8 to the Corp Counsel. In my situation, my  
9 notice was accepted April 9<sup>th</sup>, it got sent up  
10 to Corp Counsel August 23<sup>rd</sup>, so 4 and 1/2  
11 months later is finally when it went up to  
12 Corp Counsel so I really would ask that you  
13 visit that whole end of the, the beginning  
14 of the process to see how that can be  
15 improved and not just for myself but just  
16 that, ah, everybody else. So, thank you  
17 again to the department and you the board  
18 for your, your work in trying to improve,  
19 improve the process.

20 CHAIR HOWDEN: Thank you, Bob. Any  
21 questions for Mr. Horcajo? Or comments?  
22 Thank you. And last but not least, Warren  
23 Watanabe.

24 MR. WATANABE: Good morning. My name is

1 Warren Watanabe. I'm the executive director  
2 of the Maui County Farm Bureau and I would  
3 like to offer some comments on item 8D. We  
4 want to express our gratitude to the board  
5 and department for not restricting the use  
6 of water by our farmers and ranchers. As  
7 you're aware, Maui and the entire state is  
8 in a severe drought. U.S. Secretary of  
9 Agriculture, Tom Vilsack has designated all  
10 four counties primary natural disaster  
11 areas. The drought is having a serious  
12 impact on ag operations on Maui. Our  
13 farmers and ranchers are managing their  
14 operations, implementing practices to best  
15 place them to remain viable for years to  
16 come. They are reducing their herds and  
17 making serious decisions about planting new  
18 crops, recognizing that there may not be  
19 enough water to take them to harvest. Water  
20 usage is carefully monitored. They do not  
21 take water for granted or use unnecessarily.  
22 At Tuesday's Hawaii Drought Council meeting,  
23 the National Weather Service reported that  
24 we are now in a La Nina cycle. Future

1 precipitation is unpredictable. We may have  
2 rain or we may not. Rainfall for the state  
3 has been below normal this, below normal  
4 this year except for a few stations. For  
5 the past few months demand on the Upcountry  
6 water system has been high. The use far  
7 exceeds that projected in a, in the July  
8 2009 draft of the Maui County Water Use and  
9 Development Plan for Upcountry Maui. In  
10 fact the level of use has, was not projected  
11 to occur until 2025 and I'm referring to the  
12 lines on the medium, medium high and the  
13 high usage. The ditch and reservoir levels  
14 have varied depending on rainfall. I'm  
15 frequently asked by farmers how, how is the  
16 supply and what is being done to assure them  
17 that they will have water their operations?  
18 We are very concerned about this situation  
19 and ask for your consideration for a greater  
20 urgency towards conservation measures. A  
21 statement by the board and the department  
22 will be greatly appreciated by the farmers  
23 and ranchers. Thank you.

24 CHAIR HOWDEN: Warren, what, what are you

1 looking for?

2 MR. WATANABE: Um, I'm gonna do a, ah,  
3 we've been tracking the department's  
4 Upcountry water supply reports and, and  
5 we've noticed that the demand has been in  
6 the 9 and 10 million gallons per day range  
7 as of I believe, June, and I know that the  
8 department does its best to manage the  
9 system, y'know, taking the water resources  
10 from several places, and keeping the  
11 reservoirs pretty much at an adequate level  
12 but our concern was with the high demand.  
13 Y'know, at some point and, and this is what  
14 was, what we're looking at. It may,  
15 earlier, I mean I won't say July-August, and  
16 August, we're really concerned that the, the  
17 demand may have gotten so high and the  
18 supply so low that a mandatory restriction  
19 may have been required or in an emergency  
20 situation for that, for the farmers at that  
21 point we recognize that any public water  
22 system, public health and safety comes  
23 first, of the residents. Agriculture will  
24 take a back seat to that and that is the



1 concern. And that's why we, we felt that  
2 if, and statement from the county, one is  
3 the Board of Water Supply and one is from  
4 the administration, asking for the Upcountry  
5 residents to please conserve. We are  
6 concerned about the high demand. That  
7 would've relieved lot of the concerns by the  
8 farmers and ranchers because frankly they do  
9 see green lawns, whatever, Upcountry. And  
10 here you look, I mean they're coming, we  
11 recognize for, for, for the ranchers they're  
12 in a difficult situation. They cannot  
13 afford irrigated pastures; they're totally  
14 dependent on rainfall for most of their  
15 pasture lands. And that's what they're  
16 facing. I know right now Ulupalakua Ranch,  
17 they're moving their herd to some vacant  
18 land on Haliimaile from Maui Land and Pine  
19 land. So there is that, luckily they have  
20 that option. But y'know, they're in a pinch  
21 right now. So that's all we're asking for  
22 an appeal to the public for further  
23 conservation.

24 CHAIR HOWDEN: Yeah, I would point out that

1 the board historically, especially from the  
2 date Mayor Cravalho was on the Water Board  
3 has tried to always exempt...

4 MR. WATANABE: Right.

5 CHAIR HOWDEN: Agriculture uses from any  
6 mandatory restrictions. And I think that  
7 speaking for myself but also for the board  
8 that we, we know how important  
9 foundationally, our agriculture is to the  
10 health and wealth of our community. Jeff,  
11 do you want to comment on this at all?

12 DIRECTOR ENG: Well, yeah, you're  
13 absolutely correct regarding how we've  
14 always exempted ag from any be they were  
15 voluntary or mandatory cut-backs. As far as  
16 the demand that we're currently experiencing  
17 the 9 to 10 million gallons per day, that is  
18 normal seasonal demand. Recently, because  
19 the East Maui IIFS hearings I had an  
20 opportunity to evaluate some of our data.  
21 And that is normal July-August demands. Up  
22 until really a couple weeks ago I think we  
23 were looking at actually pretty fabulous for  
24 summertime. Wailoa Ditch was actually

1 running pretty well. It was only in the  
2 past couple weeks we were really kinda  
3 keying in on it, likewise with our Piiholo  
4 storage. But we haven't had to go to  
5 Pookela Well yet as a backup. Even a month  
6 or so ago, even though we knew rainfall was  
7 inadequate because of our storage levels and  
8 ditch levels it would have been  
9 irresponsible to declare any kind of cutback  
10 to the communities. So we're monitoring  
11 there real closely. This is something that  
12 our operations people and I discuss daily.  
13 So, and as Warren pointed out, the National  
14 Weather Service did point out that looks  
15 like we're going into a La Nina pattern  
16 which generally means more precipitation in  
17 October to February period. They're not  
18 quite certain. It could be just more  
19 precipitation in just certain areas of the  
20 islands but we're getting away from El Nino  
21 which is more drier weather patterns to  
22 something wetter. But the weather service  
23 doesn't y'know, place any bets on any  
24 pattern really and it can change too so.

1 Yeah, I just wanna show everyone that we are  
2 monitoring, it's a daily management of the  
3 Upcountry water system. And we have been  
4 sending out various press releases,  
5 information to the media and I'm surprised  
6 that we're not getting it published  
7 anywhere. So, we've seen this cycle  
8 particularly with the Maui News over the  
9 past year or two. They've had some working  
10 decisional changes, staffing changes so they  
11 don't seem to be responding to a lot of our  
12 press releases, so.

13 MEMBER GERBIG: Would the reactivation of  
14 the Hamakuapoko Well relieve or add any more  
15 water for agricultural purposes? Is that a  
16 possibility?

17 DIRECTOR ENG: Well, y'know that would, if  
18 we were to reinstate those wells, y'know  
19 that would be an opportunity to probably  
20 issue some meters, because that is potable  
21 water going into our potable system. Now,  
22 it could be activated in an emergency to  
23 pump, basically into, into the ditch that  
24 goes to Kula Ag Park. That's something that

1 we can always consider, because pretty  
2 expensive irrigation water by the time you  
3 pump it up and then to the, when it goes to  
4 the Kamole Plant where it by-passes the  
5 plant, goes into the ditch and then once  
6 it's at the ag park there's booster pumps so  
7 there's further to be pumped. So, y'know it  
8 probably costs at least \$3.00 per thousand  
9 gallons in, in, in electricity costs to get  
10 it to the farmers, but it's something we  
11 could consider if these weather patterns  
12 continue.

13 MEMBER GERBIG: Thank you.

14 CHAIR HOWDEN: John.

15 MEMBER HOXIE: Our current situation is  
16 voluntary...

17 DIRECTOR ENG: Yeah, we've...

18 MEMBER HOXIE: Right now?

19 DIRECTOR ENG: Had something actually since  
20 over a year ago.

21 MEMBER HOXIE: Right.

22 DIRECTOR ENG: We've had this drought watch  
23 for Upcountry; it's a 5% voluntary.

24 Overall, demand has not increased Upcountry,

1 clearly; even from a year or two back when  
2 we were pleading with the public. So, we're  
3 watching closely any, any odd consumption  
4 behaviors but then again we also need the,  
5 need that income from, from that water too.  
6 So, it's a fine balance when you manage a  
7 water department 'cause we aren't  
8 financially self-sufficient. So, and we did  
9 see a cut-back from our pleadings of 3  
10 summers ago. I think our revenue declined  
11 by several million dollars a year. So,  
12 there's a big scramble for us too.

13 MEMBER GERBIG: That's based on reduction  
14 and flows...

15 DIRECTOR ENG: Reduction in, in, in, in  
16 consumption demand...

17 MEMBER GERBIG: Consumption, yeah.

18 DIRECTOR ENG: And therefore sales. So,  
19 but, but, so that's something that I'm  
20 always talking to Holly Perdido about too;  
21 kinda monitoring our revenue so. It's a  
22 fine balance really.

23 CHAIR HOWDEN: Yeah, I remember a few years  
24 back we tried to set agricultural rates

1 based on what the actual costs were.

2 DIRECTOR ENG: Yeah, these electricity  
3 costs.

4 CHAIR HOWDEN: Yeah, at that point, at that  
5 point.

6 DIRECTOR ENG: Yeah.

7 CHAIR HOWDEN: So that's always dicey one,  
8 one too.

9 DIRECTOR ENG: And it's something that we  
10 can revisit too.

11 CHAIR HOWDEN: Yeah.

12 DIRECTOR ENG: Because I know the County of  
13 Hawaii board recently I think approved new  
14 rates. The biggest focus was on the ag  
15 component. The ag rates over there aren't  
16 that cheap y'know. It sounds cheap and, and  
17 basically I think the consumption costs is  
18 something like 90 cents per thousand  
19 gallons. However, they tack on \$1.85 for  
20 electricity costs. So they're paying I  
21 think around 2.70 or 2.80, the ag guys over  
22 there on the Big Island so. Y'know ag is  
23 pretty fortunate that the mayor, board,  
24 council has supported a lower subsidized

1 rate.

2 CHAIR HOWDEN: Ok. Any other comments,  
3 Warren?

4 MR. WATANABE: Well, yeah, and y'know what  
5 Jeff said is true y'know. We, on Maui we're  
6 really lucky that we do have the support of  
7 the county, and the Board of Water Supply  
8 And frankly the Big Island situation, if the  
9 ag industry hadn't spoken up they wouldn't  
10 have gotten an ag rate. They were looking  
11 at just overall rate for all, every consumer,  
12 a level, y'know, kind of a level playing  
13 field. So, we have been working with the  
14 Big Island water department, trying to  
15 recognize, get them to recognize that part  
16 of a mission and, and we're, and again we're  
17 lucky here on Maui. Part of the  
18 department's mission is to supply ag water.  
19 Where at the Big Island they don't feel that  
20 its part of their mission as a deparment.  
21 And this is an issue we're facing as Hawaii  
22 Farm Bureau by working with county water  
23 departments to recognize that it's not, just  
24 not a state responsibility, it's also the



1 county. And if you would consider issuing  
2 again, trying to issue a statement in the  
3 Maui News and other media outlets to please  
4 conserve. That's all we ask. Thank you.

5 CHAIR HOWDEN: Thank you. Ah, John.

6 MEMBER HOXIE: Can we do that?

7 CHAIR HOWDEN: Of course.

8 DIRECTOR ENG: We've actually did that  
9 quite recently and we worked with the  
10 mayor's office. It just never got printed  
11 in any of the media. It, it was widely  
12 distributed. So, we'll follow up on that.

13 CHAIR HOWDEN: Great, great, good. Thank  
14 you.

15 (at this time the board went into the  
16 Appeals portion of their meeting, which was  
17 transcribed by Court Reporter Tonya McDade)

18 CHAIR HOWDEN: I think because of the hour  
19 we want to keep moving on regardless of  
20 activity.

21 MS. HAYASHIDA: Wait, ok, so no breaks?  
22 Gonna continue?

23 CHAIR HOWDEN: Yeah, can we keep going?  
24 People are free to demand breaks y'know,

1 this is a democracy. Ok. No unfinished  
2 business. Ah, 8A, Discussion of Lana'i  
3 Water Use, ok.  
4 VICE CHAIR ROBINSON: Ok.  
5 CHAIR HOWDEN: So, basically..  
6 MS. HAYASHIDA: Did you want me to call the  
7 staff from the Water Resources to be here or  
8 not necessary because..  
9 CHAIR HOWDEN: I, I don't think it's  
10 necessary..  
11 MS. HAYASHIDA: Ok.  
12 CHAIR HOWDEN: All we, all we need to do is  
13 just bring back a quorum to Lana'i and  
14 settle on, on the date. So I assume some  
15 folks like with babies won't go.  
16 MEMBER MYERS: I'll be an alternate though,  
17 if necessary.  
18 CHAIR HOWDEN: Thank you. That's generous.  
19 Anyone else wants to disqualify themselves  
20 from going to Lana'i? Can we count on,  
21 because this time..  
22 VICE CHAIR ROBINSON: Depends on the date.  
23 CHAIR HOWDEN: We're gonna bring, how many  
24 people we're gonna bring?

1 MEMBER LESTER: One extra.  
2 MS. HAYASHIDA: Six.  
3 VICE CHAIR ROBINSON: Few extra.  
4 MS. HAYASHIDA: We'll bring six, six.  
5 CHAIR HOWDEN: Ok. It might be good to  
6 have 7, I mean it'll be like an insurance  
7 policy. I know you're coming this time.  
8 MR. KUSHI: We'll pick you up.  
9 (laughter)  
10 CHAIR HOWDEN: No kidding. We're paddling,  
11 you see (inaudible) paddling by.  
12 VICE CHAIR ROBINSON: Uh-uh, no, she's  
13 taking the ferry this time.  
14 MEMBER YAMAMURA: When and what time are we  
15 talking about?  
16 MEMBER HOXIE: But what date?  
17 CHAIR HOWDEN: Well, we're, we're aiming..  
18 MS. HAYASHIDA: For the 13<sup>th</sup>.  
19 CHAIR HOWDEN: Ah, the 13<sup>th</sup>.  
20 MS. HAYASHIDA: But that depends on Lana'i,  
21 Hotel Lana'i.  
22 MEMBER HOXIE: That's a Wednesday.  
23 MS. HAYASHIDA: That's a Wednesday. If  
24 they have, I'm gonna request...six, seven,

1 eight...at least eight rooms for us. Water  
2 Resources is on their own, so, we can,  
3 y'know...

4 CHAIR HOWDEN: Ok.

5 MS. HAYASHIDA: But let me call Hotel  
6 Lana'i. The problem is they only can keep  
7 those 8 rooms open for us for like about a  
8 week. You would need to, those that are  
9 going would need to call in, put it on their  
10 credit cards and the department will  
11 reimburse you after so, y'know, the same  
12 drill as the last time. I do need to  
13 reserve the room number 5, which has the 2  
14 beds for the court reporter and me or staff  
15 or whoever is taking my place over there but  
16 gonna try and see. I'll let you know if  
17 October 13<sup>th</sup> is a "no go", then we can do it  
18 another day. A week after that.

19 MR. KUSHI: Y'know, Mr. Chair, if I may  
20 suggest I, I know there's a government rate  
21 at the...

22 MS. HAYASHIDA: Lodge.

23 MR. KUSHI: Koele Lodge.

24 MS. HAYASHIDA: But...

1 MR. KUSHI: And, and, and it's cheaper than  
2 what we pay for...

3 MS. HAYASHIDA: Yeah.

4 MR. KUSHI: But if you have any qualms  
5 about...

6 VICE CHAIR ROBINSON: Well, conflict of  
7 interest?

8 MR. KUSHI: Yeah. But y'know our planning  
9 commission goes, sometimes they go and they  
10 stay there.

11 MS. HAYASHIDA: Yeah, yeah, but yeah.

12 MR. KUSHI: But if the board is, is adamant  
13 about not doing it I won't inquire.

14 MS. HAYASHIDA: That's up to the board.

15 VICE CHAIR ROBINSON: I'm not adamant.

16 MEMBER LESTER: I'm not adamant.

17 (laughter)

18 MR. KUSHI: I think it's low, low 100's.

19 MS. HAYASHIDA: Yeah, it's I think a  
20 hundred dollars an night.

21 CHAIR HOWDEN: Yeah, let's do Koele then.

22 MS. HAYASHIDA: Ok.

23 MR. KUSHI: Well, let me check if there's  
24 a...

1 VICE CHAIR ROBINSON: Yeah, ours was 168.  
2 MS. HAYASHIDA: Yeah.  
3 CHAIR HOWDEN: Yeah, yeah.  
4 MS. HAYASHIDA: Yeah, it's just that Castle  
5 and Cooke was seen persistent in meeting  
6 with the board members after the meeting  
7 ended. So, we were kinda like, wanna keep  
8 an arms length distance from them.  
9 CHAIR HOWDEN: Yeah, evidently board  
10 members can meet one on one with Castle and  
11 Cooke but not as a group of course.  
12 MR. KUSHI: But if you want me, I'll check  
13 on the appearance of impropriety if, if  
14 anything, if at all.  
15 MS. HAYASHIDA: If not, then the Lodge at  
16 Koele sounds better.  
17 CHAIR HOWDEN: Oh, no, that'll be  
18 wonderful.  
19 MS. HAYASHIDA: 'Cause they have more rooms.  
20 CHAIR HOWDEN: I would point out that..  
21 MR. KUSHI: How big is their lanai?  
22 (laughter)  
23 CHAIR HOWDEN: When they had campaign last,  
24 last time around Alberta de Jetley set up

1 this big thing and we were picked up by  
2 Castle and Cooke buses. We go to the Castle  
3 and Cooke solar array; we go to little, like  
4 brunch and Kepa Malley made a presentation  
5 who works for Castle and Cooke. I mean  
6 every thing was Castle and Cooke. The  
7 island's 98% by Castle and Cooke. So,  
8 that's a fact of life and if we can do it  
9 cheaper it's a very comfortable place to be.  
10 See and of course Ed will check that with  
11 Greg?

12 MR. KUSHI: Yeah.

13 MS. HAYASHIDA: So, can I have a show of  
14 hands on how many board members are coming  
15 back, are going?

16 CHAIR HOWDEN: I'm going.

17 (board members raise hands)

18 MS. HAYASHIDA: One, two, three, four,  
19 five. You going?

20 MEMBER LESTER: Yeah.

21 MS. HAYASHIDA: Ok, so we're looking at  
22 October 13<sup>th</sup> and I'll try the Lodge at Koele.

23 VICE CHAIR ROBINSON: Just, just a point  
24 of, ah, we were able to walk from the Hotel

- 1 Lana'i to the school...
- 2 MS. HAYASHIDA: You can't do it...
- 3 VICE CHAIR ROBINSON: We would not be able  
4 to do that...
- 5 MS. HAYASHIDA: No, no.
- 6 VICE CHAIR ROBINSON: With the Koele Lodge...
- 7 MS. HAYASHIDA: No.
- 8 VICE CHAIR ROBINSON: And so that would  
9 mean transporting and you had a van for us  
10 last time.
- 11 MS. HAYASHIDA: But unfortunately it was  
12 like 7 people maximum in there.
- 13 VICE CHAIR ROBINSON: In the van?
- 14 MS. HAYASHIDA: In the van.
- 15 VICE CHAIR ROBINSON: Right. So we may  
16 have to make a couple of trips but I don't  
17 think more than 5...
- 18 (several people speaking at the same time)
- 19 VICE CHAIR ROBINSON: Not more than 5  
20 minutes away?
- 21 MS. HAYASHIDA: Or, there's a shuttle. I  
22 think it stops at Hotel Lana'i and you can  
23 walk.
- 24 VICE CHAIR ROBINSON: That's right and you



1 can walk from the Hotel Lana'I over there.  
2 MS. HAYASHIDA: So, so, I'll...  
3 CHAIR HOWDEN: Or we can borrow the Water  
4 Department truck or something.  
5 DIRECTOR ENG: We're short-handed.  
6 MS. HAYASHIDA: There's no Water Department  
7 there.  
8 VICE CHAIR ROBINSON: There is no Water  
9 Department.  
10 MS. HAYASHIDA: Not on Lana'i.  
11 MR. KUSHI: That's right.  
12 (laughter)  
13 CHAIR HOWDEN: Well, I thought a I saw a  
14 truck over there, Water Department.  
15 VICE CHAIR ROBINSON: Maybe a county truck  
16 but...  
17 CHAIR HOWDEN: County yeah.  
18 VICE CHAIR ROBINSON: But I don't think the  
19 water...  
20 MS. HAYASHIDA: Public Works.  
21 CHAIR HOWDEN: Oh, ok.  
22 MS. HAYASHIDA: Ok, so we have for the  
23 record Kevin, Don, Phyllis, Michael, Kui and  
24 John.

1 CHAIR HOWDEN: You say that with a certain  
2 hesitation.

3 MEMBER LESTER: Well, there's one extra.

4 CHAIR HOWDEN: Oh.

5 MS. HAYASHIDA: Ok. John.

6 VICE CHAIR ROBINSON: Yeah, that way we  
7 have an extra.

8 MS. HAYASHIDA: So, John.

9 MEMBER GERBIG: He's our insurance policy.

10 MS. HAYASHIDA: He's our insurance. So,  
11 and then stay overnight. The other  
12 alternative I was looking at was chartering  
13 a private plane. That's gonna run us about  
14 the same amount, y'know we fly over, come  
15 back that night. It's gonna be over \$3,000.

16 CHAIR HOWDEN: Forget it.

17 MS. HAYASHIDA: So, it's about the same.

18 VICE CHAIR ROBINSON: Well...

19 MS. HAYASHIDA: Actually, y'know...

20 VICE CHAIR ROBINSON: If you think about  
21 the fossil fuels that get used with a  
22 private plane for, for this event as opposed  
23 to getting on a public ferry or on a public  
24 carrier, I think that the carbon footprint

1 is too much for me to hold on my conscience.

2 CHAIR HOWDEN: Ok, I feel safer on a ferry.

3 MS. HAYASHIDA: Ok, and then, and then all  
4 of you are except Kui, are gonna take the  
5 ferry, Lahaina Ferry? Ok. Same time as the  
6 last the last time?

7 MEMBER HOXIE: What was it?

8 MS. HAYASHIDA: I think you left at about  
9 12...

10 MEMBER GERBIG: I wanna go earlier.

11 MS. HAYASHIDA: You wanna go earlier.

12 MEMBER GERBIG: Six o'clock, the 6 a.m.

13 MS. HAYASHIDA: Do they have a ferry that  
14 earlier.

15 VICE CHAIR ROBINSON: You can go whatever  
16 time you want.

17 MEMBER GERBIG: I know.

18 VICE CHAIR ROBINSON: We don't all have to  
19 go as a group.

20 MEMBER GERBIG: No, you don't have to go.  
21 I wanna go at 6 a.m.

22 VICE CHAIR ROBINSON: Ok good. Let 'em go.

23 MS. HAYASHIDA: I'll, I'll email you the  
24 schedule.

- 1 MR. KUSHI: You live in Lahaina.
- 2 VICE CHAIR ROBINSON: He lives in Lahaina.
- 3 MS. HAYASHIDA: Yeah, I know.
- 4 VICE CHAIR ROBINSON: He wants to spend  
5 some time on the beach.
- 6 MR. KUSHI: You talking about the budget  
7 hearing with Holly? If it's only her, he  
8 say ok, send Holly over. Kill two birds  
9 with one stone.
- 10 (laughter)
- 11 MEMBER HOXIE: That's a good idea.
- 12 MS. HAYASHIDA: Well, also Holly and  
13 whoever is gonna handle the CIP projects...
- 14 DIRECTOR ENG: Yeah, probably someone from  
15 Planning will do the CIP presentation...
- 16 MS. HAYASHIDA: So, Holly and yeah.
- 17 DIRECTOR ENG: Either Eva...
- 18 MEMBER HOXIE: We'll have the time.
- 19 MR. KUSHI: We will.
- 20 MS. HAYASHIDA: We can send Holly over and  
21 she can do the Operations thing.
- 22 MR. KUSHI: Well, anyway just a...
- 23 MEMBER HOXIE: Yeah.
- 24 MR. KUSHI: Any y'know if there's a late

1 flight, tell 'em to go home.  
2 VICE CHAIR ROBINSON: So, it's a, it's a 5  
3 o'clock meeting, is that correct.  
4 MS. HAYASHIDA: Yeah.  
5 VICE CHAIR ROBINSON: Ok.  
6 MS. HAYASHIDA: I'm gonna leave the time  
7 open.  
8 MEMBER YAMAMURA: I'm an available  
9 alternate if you need one..  
10 MS. HAYASHIDA: Ok.  
11 MEMBER YAMAMURA: Ok, so, just..  
12 MS. HAYASHIDA: So, so is Kelli.  
13 MEMBER YAMAMURA: Yeah, rather than not  
14 have quorum.  
15 MS. HAYASHIDA: Yeah, but like the last  
16 time I didn't know 'til the very last  
17 minute.  
18 MEMBER LESTER: Me too.  
19 (laughter)  
20 MS. HAYASHIDA: Ok, so, we're all set then.  
21 We'll try for the Lodge and again, I'll let  
22 you guys know when to start making your  
23 reservations. You do need to, again, put it  
24 on your credit card and keep your receipt

1 when you check out. The department will pay  
2 for your, and also, I don't know, you also,  
3 if you, you can submit your mileage to the  
4 ferry and back. I'll take, you just submit  
5 that. And then, let's see per diem, we'll  
6 pay your per diem. It's \$22.50 per quarter  
7 and according to our fiscal people it's from  
8 the time you leave to the time you come  
9 back. So, and then that's it. Keep all  
10 your receipts. And hopefully we will have a  
11 successful meeting. I still have the  
12 written testimony from the people that were  
13 there. And I'll bring that with me. Ok?  
14 So, October 13. That is a Wednesday, Kui.  
15 VICE CHAIR ROBINSON: Wednesday, Kui.  
16 MEMBER LESTER: Wednesday, again?  
17 VICE CHAIR ROBINSON: Wednesday, Kui.  
18 MEMBER LESTER: I thought we did everything  
19 on Thursday.  
20 CHAIR HOWDEN: So Ed, did you wanna go  
21 through the Pre-Hearing procedures?  
22 MR. KUSHI: Yeah, I had discussion with  
23 the, fellow attorneys in our office and we  
24 would suggest this, Mr. Chair. I mean if,

1 if the board, it's up to the board but like  
2 in other boards they can appoint staff  
3 members to be pre-hearing officers and just  
4 get everything out of the way and prepare  
5 the case for the board. And basically deal  
6 with the parties and their attorneys, or  
7 just the parties themselves. Knowing the  
8 board's schedule, you could appoint one of  
9 you or a panel, maybe it'd be, at this point  
10 in time, my fellow attorneys said why don't  
11 they appoint me. From my office then we  
12 can, it's easier to contact the attorneys  
13 for the department 'cause they work in  
14 there. And I can set up the hearing and  
15 then get all the documents in order, the  
16 timetables and maybe just have Gaye there to  
17 take notes. And if that's ok with you.

18 CHAIR HOWDEN: That'll be great as far as  
19 I'm concerned.

20 MR. KUSHI: Take that, take that...

21 MEMBER HOXIE: Would you have a board  
22 member present or...?

23 MR. KUSHI: You could or just leave it up  
24 to y'know, my schedule.

- 1 MS. HAYASHIDA: But when we set up the  
2 meeting we could notify the board members if  
3 they wanna show up?
- 4 MR. KUSHI: Yeah, yeah, I mean we can,  
5 you're welcome to attend as long as, as long  
6 as it's not a quorum.
- 7 MEMBER HOXIE: Right.
- 8 MR. KUSHI: I feel that it will expedite  
9 matters.
- 10 CHAIR HOWDEN: Yeah, that'll be great.
- 11 MR. KUSHI: So, if you guys are agreeable  
12 with that, and we'll, we'll have the forms  
13 and everything ready. I would think you  
14 need a motion on this.
- 15 MEMBER HOXIE: I so move.
- 16 MEMBER BOTEILHO: Second.
- 17 CHAIR HOWDEN: Ok, any discussion? Ok,  
18 those heartily in favor...
- 19 VICE CHAIR ROBINSON: Heartily, heartily.
- 20 MEMBER YAMAMURA: Thank you, Ed.
- 21 CHAIR HOWDEN: Good.
- 22 MS. HAYASHIDA: I'm sorry who made the  
23 second?
- 24 CHAIR HOWDEN: Little bias but...



1 MS. HAYASHIDA: Oh, ok.

2 CHAIR HOWDEN: Thanks, Ed. That's great.

3 Ok, Don's setting guidelines for public  
4 testimony and possible board action.

5 MEMBER GERBIG: I didn't bring anything  
6 with me but anyway. No, basically what I  
7 changed and what I had, is it in, is it in...?

8 MS. HAYASHIDA: I'm sorry, I didn't attach  
9 it.

10 MEMBER GERBIG: It's not in there, I don't  
11 think. Oh, I guess it is, oral or written  
12 testimony in, will be accepted. Is that...?  
13 No, this is, this is just standard one. But  
14 I don't, I don't, is there, this isn't the  
15 one, this one? No. So I don't, I don't  
16 have it with me, pass out so I don't,  
17 whether...

18 CHAIR HOWDEN: Shall we defer it...?

19 MR. KUSHI: Defer it, yeah.

20 MEMBER GERBIG: Move it on. Defer it.  
21 Yeah, defer it.

22 CHAIR HOWDEN: As usual.

23 MR. KUSHI: Defer it to Lana'i.

24 MEMBER GERBIG: Make sure that Gaye gets on

1 the ball.

2 VICE CHAIR ROBINSON: Let's talk about it  
3 on Lana'i, on Lana'i.

4 MEMBER GERBIG: Yeah, on Lana'i, yeah. No,  
5 we can't.

6 (laughter)

7 VICE CHAIR ROBINSON: No can?

8 MEMBER GERBIG: No can.

9 VICE CHAIR ROBINSON: Can, no can.

10 CHAIR HOWDEN: Ok, so next we have a  
11 discussion with Director Eng about the  
12 Upcountry Water Meter List.

13 DIRECTOR ENG: And I guess it's specific to  
14 updating the list. And there is an  
15 ordinance, number 3754 that took effect  
16 recently, July 7, 2010 and there's a  
17 section, Chapter 14.13.040 of the Maui  
18 County Code and it states that the director  
19 shall annually update the Priority List of  
20 premises applying for new or additional  
21 water service from the Upcountry system.

22 So, we do plan to update this annually. So,  
23 we have until July 6 of next year really.

24 MR. KUSHI: Right.

1 DIRECTOR ENG: So, it is something that we  
2 want to look at from time to time. It's a  
3 very time consuming endeavor so with all of  
4 our workload in engineering I don't place it  
5 at a very high priority. We'd rather get  
6 building permits out and whatever we do,  
7 water service applications, so but it is  
8 something that we do want to update from  
9 time to time. Again, there hasn't been any  
10 movement so it's no really urgency to it.  
11 It'd be more of a benefit for someone to go  
12 on our website, see where they are on the  
13 list and verify they haven't moved, so, but  
14 it will be addressed. And I'm hoping that  
15 maybe we could do it by the end of this  
16 calendar year. A lot of demands are coming  
17 every day for the engineering, engineers so  
18 we wanna balance the workload and make sure  
19 we have our priorities established so. Ok,  
20 what else is on that same item? Ok, as far  
21 as calculating the total current water  
22 demands of that current list of 1312  
23 applicants, it comes out to about 3 million  
24 gallons per day of additional demand that

1 would need to be developed.

2 MEMBER GERBIG: That's all, all Upcountry?

3 (Member Gerbig, Vice Chair Robinson and

4 Director Eng speaking at once)

5 VICE CHAIR ROBINSON: Three, three million

6 gallons.

7 MEMBER GERBIG: That's all of the meters.

8 DIRECTOR ENG: To satisfy the current

9 priority list.

10 MEMBER GERBIG: On the meter. Uh huh, ok.

11 DIRECTOR ENG: Yes, yeah, about 3 million  
12 gallons per day. As far as determining what

13 the need is based on the general plan, the

14 Maui Island Plan update, that is something

15 that Carl Freedman incorporates into his

16 Upcountry Water Use and Development Plan.

17 And right now the Central, Central Plan is

18 before the council or the Water Resources

19 Committee and, but it is always making, he

20 will make adjustments based on the

21 finalization of the Maui Island Plan. And

22 so, but that is always the basis for all the

23 various water use and develop plans.

24 CHAIR HOWDEN: Jeff, Jeff, when would we be

1 seeing the up, when would it be transmitted  
2 to us, the Upcountry Plan?

3 DIRECTOR ENG: I, y'know, this meeting with  
4 Carl just, when was, early this week or last  
5 week and he is doing some reanalysis based  
6 on the East Maui IIFS but he believes it's  
7 pretty close to being turned over to you  
8 folks. So, it's pretty close. I guess we  
9 get through this Lana'i plan, get that on  
10 to, to council and I think shortly  
11 thereafter, it doesn't seem like he needs  
12 any more meeting with the Upcountry Advisory  
13 Committee so anything, so, should be pretty  
14 soon. I wanna keep things moving too.

15 MEMBER HOXIE: You think it's likely to  
16 double, y'know, from the three? I mean, any  
17 feel for what is...

18 DIRECTOR ENG: Y'know, the Maui Island Plan  
19 has some pretty aggressive projections on  
20 residential units and, and much of it we  
21 don't really know how much is, is going to  
22 be realistic. Mike, you're pretty much to  
23 mind with some of those projections, I think  
24 you've kinda even in past indicated some of

1 the Central Maui or is it island-wide growth  
2 projections and an astonishing number of  
3 units. Whether or not they're gonna really  
4 be developed.

5 CHAIR HOWDEN: Unbelievable in terms of...

6 DIRECTOR ENG: Yeah.

7 CHAIR HOWDEN: Limited water resources,  
8 lack of infrastructure and our present  
9 economic quandary. So, anyway like John, I  
10 would love to move on to the Upcountry plan  
11 as soon as we can.

12 DIRECTOR ENG: I agree.

13 CHAIR HOWDEN: I think that's gonna be a  
14 fascinating discussion for this board and,  
15 and I personally would love to address it  
16 before my tenure on the board ends, myself.

17 MEMBER BOTEILHO: As far as the 3 million  
18 gallons, that's for current applicants on  
19 the list?

20 DIRECTOR ENG: Yes, uh-huh.

21 MEMBER BOTEILHO: Is DHHL's project  
22 considered in that demand?

23 DIRECTOR ENG: No, no, no.

24 MEMBER BOTEILHO: Is there like an estimate

1 on what's...

2 DIRECTOR ENG: No.

3 MEMBER BOTEILHO: Their projects would  
4 require?

5 DIRECTOR ENG: I'm not quite certain what  
6 their...

7 VICE CHAIR ROBINSON: Whose projects?

8 DIRECTOR ENG: Current plans are.

9 MEMBER BOTEILHO: Department of Hawaiian  
10 Home Lands.

11 DIRECTOR ENG: I think they do understand  
12 that they would have to drill some sources  
13 to meet their needs. As far as what they  
14 have been doing in Hawaiian Homes Upcountry  
15 and Keokea. They haven't come to the  
16 department in a while to talk about their,  
17 their plans. They had a 500,000 gallon...

18 MR. KUSHI: Allocation.

19 DIRECTOR ENG: Allocation reservation that  
20 they're kinda chipping away at. So they  
21 know they're, right now they're kinda  
22 limited to that. That should be enough to  
23 satisfy what they're currently working on.  
24 But our priority list does not include,

1 include any Department of Hawaiian Homes  
2 applicants.

3 CHAIR HOWDEN: But they do have priority  
4 rights to public trust waters, right?

5 DIRECTOR ENG: Per the language of the  
6 water code.

7 CHAIR HOWDEN: Yeah. So that..

8 DIRECTOR ENG: They're of the highest  
9 priority.

10 CHAIR HOWDEN: There are other issues  
11 involved in that as well.

12 DIRECTOR ENG: But y'know, the domestic  
13 water system is also the very, the highest  
14 priority. It's not, no one's ranked really  
15 one, two, three.

16 CHAIR HOWDEN: Right.

17 DIRECTOR ENG: I mean, we're all there,  
18 domestic fortunately is a..

19 MEMBER BOTEILHO: Yeah.

20 MEMBER HOXIE: So, so those people have an  
21 allocation, they're not on the meter list.

22 DIRECTOR ENG: That's correct, yeah.

23 CHAIR HOWDEN: Ok.

24 VICE CHAIR ROBINSON: When will the



1 Upcountry plan be due to the county council?  
2 CHAIR HOWDEN: Six months after we receive  
3 it.  
4 MEMBER HOXIE: After we get at.  
5 MS. HAYASHIDA: Yeah, 180 days.  
6 VICE CHAIR ROBINSON: So, it could be under  
7 a new administration? Possibly.  
8 MR. KUSHI: Oh, a possibility.  
9 CHAIR HOWDEN: Possibly.  
10 MR. KUSHI: A new term anyway.  
11 VICE CHAIR ROBINSON: He said guaranteed.  
12 MR. KUSHI: No, no, no.  
13 VICE CHAIR ROBINSON: He has a crystal  
14 ball.  
15 MR. KUSHI: No, no, I said a new term.  
16 DIRECTOR ENG: Can you erase the tape.  
17 (laughter)  
18 MR. KUSHI: Inaudible.  
19 (laughter)  
20 VICE CHAIR ROBINSON: Inaudible. I, I, the  
21 reason I'm asking is that I, I happen to  
22 know that one of our candidates for mayor is  
23 actually talking about doing away with the,  
24 with the waiting list. It's one of the

1 platforms of one of our candidates and, and,  
2 and I just, y'know, I just kinda wonder how  
3 that will factor in as we have to approach  
4 the Upcountry plan especially if we do it  
5 under a new administration, if we did it  
6 under a new administration.

7 CHAIR HOWDEN: Massive litigation.

8 VICE CHAIR ROBINSON: Massive litigation.

9 CHAIR HOWDEN: Keep Ed busy for the next 30  
10 years.

11 MEMBER HOXIE: No comment.

12 MEMBER YAMAMURA: Well, notwithstanding  
13 that candidate, would it be foolish to let's  
14 say set an allocation of 5 meters per year  
15 Upcountry and plan for the additional water?  
16 Just to work that list down on a regular  
17 basis?

18 DIRECTOR ENG: Y'know, right now we've been  
19 working with, the department has been  
20 working on a plan to develop some wells. We  
21 haven't gone really public with it. In  
22 fact, I do want to bounce it off of corp  
23 counsel some of the recommendations that our  
24 consultant has looked at. And very costly,

1 because y'know all of them are further and  
2 further away from our existing system. So,  
3 it's not like we're not doing anything.  
4 It's just that everything is so sensitive  
5 and many times I wanna keep things until we  
6 go, can go forward because guarantee  
7 something's gonna come in and try to block  
8 our plans. Y'know and I've, but we have  
9 looked at some potential sites. Our  
10 engineers are in fact in, have been  
11 contacting some landowners 'cause that's  
12 always the biggest issue is acquisition of  
13 land, whether the waterlines, a well or  
14 wells, any, any tanks we might need along  
15 the way, booster pump stations; so we are  
16 going, we are moving forward. Y'know but  
17 there's just all these challenges and  
18 obstacles that we're always facing wherever  
19 we plan to develop sources.

20 MEMBER YAMAMURA: Are you looking at  
21 potential eminent domain on existing private  
22 wells?

23 DIRECTOR ENG: Not on, not on any existing  
24 wells at this time but maybe it could turn

1 out to any potential well sites when we have  
2 to exercise that right.

3 MEMBER BOTEILHO: Is there any update on  
4 Piiholo South well?

5 DIRECTOR ENG: Our engineers and  
6 particularly Herb, Herb Chang is in, is in  
7 meetings with their civil engineer. It's  
8 very early in, in the stages of looking  
9 toward any kind of agreement, which we  
10 really, we ultimately hope will have.  
11 Y'know, I'm trying to push for a favorable  
12 outcome. But right now, we're just looking  
13 at the infrastructure requirements; to take  
14 the water from the well and probably the  
15 nearest point would be our Pookela Tank.

16 VICE CHAIR ROBINSON: So this is Zach  
17 Franks?

18 DIRECTOR ENG: That is Mr. Franks/Cindy  
19 Warner well. It's come before council a  
20 little bit. It looks like they might even,  
21 the Water Resources Committee meeting plans  
22 to have, the chair wants to hold a, a  
23 special meeting. I think September 7<sup>th</sup>. I  
24 believe it's a little bit premature to start

1 negotiating publicly when we don't even have  
2 the infrastructure determined yet. But the  
3 2, if he choose to do it y'know he's the  
4 chair. But I, it's not much we can even  
5 talk about this time. I've even stepped  
6 away and just allowed the engineers to  
7 determine the infrastructure. As far as the  
8 other aspects of the agreement, we'll do our  
9 best to move that forward. And again,  
10 ultimately, that agreement will be required  
11 to be approved by the council, so. They may  
12 not like even anything that we negotiated.  
13 But...

14 VICE CHAIR ROBINSON: Are you still  
15 negotiating about the water quality; who,  
16 who, who supposed to be responsible  
17 financially for that? The last time Zach...

18 DIRECTOR ENG: That would be the developer.

19 VICE CHAIR ROBINSON: Yeah, the last time  
20 Zach was in here that, that was...

21 DIRECTOR ENG: Yeah, he, he wants to push  
22 it off on the county.

23 VICE CHAIR ROBINSON: Uh-huh.

24 DIRECTOR ENG: Unfortunately, we, we were

1 never, were able to inspect, basically what  
2 they've done is they've drilled a, drilled a  
3 hole, cased it and they dropped a pump and  
4 motor down there; a pump that we really not  
5 have had any familiarity with, so we have  
6 some questions about that. Again, he states  
7 regarding that the pump, the successfulness  
8 of the pump test but we didn't get to  
9 witness it and I think it was a relatively  
10 short term pump test. So a lot things, to  
11 satisfy the department we would want; we  
12 would want to see and witness the pump test  
13 and ideally I would like to see it not 3  
14 days or whatever it might've been but 10  
15 days. Y'know 'cause you don't get that much  
16 information on a, on a short pump test and  
17 also the water quality lab. Seen some lab  
18 results but we didn't witness the sampling.  
19 And when the, when was the water sample even  
20 sampled? Was it early in the pump test?  
21 Later on? We might even wanna do some  
22 periodic water quality tests over again, if,  
23 if it's a 10-day pump test, over the, over  
24 that time. So, they're perfectly satisfied

1 and, but we just need proof. And the proof,  
2 and the burden of proof is, is with the  
3 developer.

4 MEMBER HOXIE: I have a question. So,  
5 y'know, looking at item D, developing a plan  
6 to meet these needs, we've got new wells as  
7 a potential, and that's a number of issues.  
8 We have increased take of surface water from  
9 Kamole. I think there is some, isn't there  
10 some opportunity to increase there too?

11 DIRECTOR ENG: Well, that's a question.  
12 Y'know, again, if, in the Upcountry Water  
13 Use and Development Plan, that would be on  
14 our website too if you wanna review some of  
15 the current strategies that were being  
16 considered. But Kamole plant, again it's  
17 off the Wailoa Ditch and when there's a lot  
18 of water and pretty clean we can go for it.  
19 And that depends if there's water up, in  
20 higher elevations that we should treat first  
21 'cause it's cheaper to treat. We are  
22 looking at, and I'd recommended it to our  
23 staff to look at it, improving the intake to  
24 the plant particularly when Wailoa Ditch is

1 fairly low. There's some hydraulic issues  
2 in the plant. I've asked to include that in  
3 our fiscal year 2012 CIP budget. Hopefully  
4 we can keep it in but, but that would be  
5 basically it. It's still y'know, you're  
6 relying on a fluctuating surface source, so  
7 whatever we can get out of it we will but I  
8 would never make any guarantees. They were  
9 gonna produce a whole lot more out of  
10 Kamole.

11 CHAIR HOWDEN: John, were you asking about  
12 the right of withdrawal or...

13 MEMBER HOXIE: Yeah.

14 CHAIR HOWDEN: Which are predicated on...

15 DIRECTOR ENG: We have it in...

16 CHAIR HOWDEN: Mechanics of withdrawal  
17 evidently.

18 DIRECTOR ENG: Right.

19 CHAIR HOWDEN: So, what is our capacity to  
20 withdraw and let's assume the ditch is doing  
21 well.

22 DIRECTOR ENG: Well, with the membranes  
23 themselves y'know they could produce  
24 potentially quite a bit because of the, if



1 the water, if the ditch level's high, the  
2 water quality is already pretty clean,  
3 y'know, just based on the membrane, what  
4 they call flux rate, I guess Paul Seitz of  
5 course had some pretty big numbers at times,  
6 huh?

7 CHAIR HOWDEN: Yes.

8 DIRECTOR ENG: Maybe up to like 10 million  
9 gallons per day or something like that.  
10 Probably in theory, you could. You talk to  
11 the operators though, they may say other  
12 things. I was just talking to an operator  
13 the other day about flux rates and  
14 potentials and y'know he even kinda argued  
15 with me, Hey, depends on the initial water  
16 quality, how many cleaning cycles they have  
17 to shutdown for, so. Some of the numbers  
18 he's heard from, from Paul he says are  
19 pretty high and theoretical.

20 MEMBER HOXIE: So, right now you're  
21 treating between 4 and 5 million.

22 DIRECTOR ENG: Yeah, and that's kinda like  
23 what you would see at this time of the year.  
24 I think even Carl Freedman, during, for

1 drought conditions, he's done an analysis,  
2 he uses that 4 and 1/2 million gallons per  
3 day.

4 CHAIR HOWDEN: But wouldn't it make sense  
5 to, rather than trying to open Hamakuapoko,  
6 which limit, would limit, very limited  
7 yields since we have the right of withdrawal  
8 to up to 16 million gallons a day on the  
9 memorandum of understanding. And we're only  
10 looking at getting 3 or 4 million gallons a  
11 day to meet the Upcountry list. The  
12 reconfiguration that we need to do at  
13 Kamole, wouldn't that be really like more  
14 and more a priority to, even if we had to  
15 build a second plant?

16 DIRECTOR ENG: It seems simply and many  
17 times I thought about that too. We got that  
18 the membrane capacity...

19 CHAIR HOWDEN: Yeah.

20 DIRECTOR ENG: Again, it, it's, it's a  
21 surface water source. And to issue 3  
22 million gallons per day of meters off that  
23 source and let's say drought conditions get  
24 worse, it's hard to tell people I'm sorry we

1 issued the meter but we can't allow you to  
2 use any water. Groundwater expansion  
3 probably is the best and even the Water  
4 Commission has strongly recommended that we  
5 get more to, to a balanced approach of water  
6 sources. Currently, we are about 80%  
7 reliant on surface and 20% groundwater. In  
8 the East Maui hearings recently, the, the  
9 commissioner, chair, Thielen recommended we  
10 really start looking at more of a 50-50  
11 balance and I, I certainly can support that  
12 too. And that's why we are looking at more  
13 groundwater development, because it's more  
14 an assured source of water.

15 CHAIR HOWDEN: But, but how can we do that  
16 given the costs of delivery?

17 DIRECTOR ENG: We gotta do it. We gotta  
18 bite the bullet and incorporate it in our  
19 rates and we get creative on how we can get  
20 funding or financing. And I think for a lot  
21 of these, particularly these mayoral  
22 candidates, they talk about all their plans  
23 for Upcountry water development. Question  
24 I'd like to pose to them is, what are your

1 plans for funding or financing for any of  
2 these projects; whatever they might be?  
3 Because money is really the key to  
4 everything.

5 MEMBER HOXIE: Well, it's all about what  
6 it's gonna cost.

7 DIRECTOR ENG: Right.

8 MEMBER HOXIE: I think y'know one, one  
9 option is y'know pumping in East Maui,  
10 putting it into the Wailoa, transporting it  
11 to Kamole and treating it.

12 DIRECTOR ENG: And yet we still have those  
13 East Maui challenges too, of developing  
14 sources in East Maui.

15 CHAIR HOWDEN: So what about the Waikamoi  
16 Flume system? Where are we on that?

17 DIRECTOR ENG: Well, its' in design.

18 CHAIR HOWDEN: How close?

19 DIRECTOR ENG: Oh, it just started.

20 CHAIR HOWDEN: I'm sorry...

21 DIRECTOR ENG: No, no, basically..

22 CHAIR HOWDEN: It's my trip, I know.

23 DIRECTOR ENG: We've gone through the, the  
24 whole negotiations over the design agreement

1 and just recently the, even though the  
2 consultant has done some initial work and  
3 they have to do some, initially there'll be  
4 a lot of surveying out there but they just  
5 recently got the notice to proceed  
6 officially. So it's gonna be a good  
7 probably 10 to 12 month endeavor. But I'm  
8 gonna have to ask 'em early on if they have  
9 any ideas what it's gonna cost so we can  
10 budget for it. And try to incorporate it in  
11 next fiscal year's capital.

12 CHAIR HOWDEN: Yeah, 'cause that's such a  
13 godsend..

14 DIRECTOR ENG: So even if it's not even  
15 complete, I gotta get some ballpark number  
16 on what it's gonna cost. So we can, so  
17 we're going to put that in our fiscal year  
18 2012 CIP budget.

19 CHAIR HOWDEN: Ok. Any other questions for  
20 Director Eng?

21 MEMBER YAMAMURA: Is Carl Freedman working  
22 on the Upcountry plan?

23 DIRECTOR ENG: Yes.

24 MEMBER YAMAMURA: Ok.

1 CHAIR HOWDEN: Yeah, and there, there  
2 drafts of it on the website.  
3 VICE CHAIR ROBINSON: Yeah, you go look at  
4 it on the website.  
5 CHAIR HOWDEN: Yeah.  
6 DIRECTOR ENG: Yeah.  
7 CHAIR HOWDEN: And it's pretty close.  
8 DIRECTOR ENG: Yeah, it is real close.  
9 CHAIR HOWDEN: Receipt of items for our  
10 next board meeting.  
11 MEMBER GERBIG: I, I, broadbrush.  
12 Conservation. Is there anything, where our  
13 responsibility are I'm not sure, but should  
14 we be concerned about conservation? Should  
15 we look at what conservation policy,  
16 ordinances, to insure that the department  
17 has the power to enforce conservation if  
18 need be? I'm asking you, Jeffrey. I mean,  
19 I, somebody had mentioned to me that there  
20 some ordinances that had not passed the  
21 council yet. Something like and I'm not  
22 sure what to reference it but I thought it  
23 was in regards to conservation.  
24 DIRECTOR ENG: Yeah, I think that...

1 VICE CHAIR ROBINSON: What Warren was  
2 saying. Warren Watanabe.

3 MEMBER GERBIG: Yeah.

4 VICE CHAIR ROBINSON: Yeah, and I think you  
5 in a quiet meeting you were talking about  
6 that.

7 DIRECTOR ENG: Yeah, we're, we're, yeah,  
8 we, he was asking what we've done as far as  
9 like going to the media and we have.  
10 Unfortunately, it seems like some of the  
11 things that we distribute to the media isn't  
12 being...

13 VICE CHAIR ROBINSON: Put out there.

14 DIRECTOR ENG: Published for whatever  
15 reason. I think the Maui News is, has kinda  
16 reorganized their staff...

17 MEMBER GERBIG: Now, is there any, are  
18 there, any ordinance in process that have  
19 not been passed by the council or be more  
20 benefit to, to the department in a, to be  
21 used in water conservation?

22 DIRECTOR ENG: I might, I think I might  
23 have to refresh my memory. Mr. Kushi.

24 MR. KUSHI: Yeah, about, must've been

1 almost 2 years ago? Michelle Anderson...

2 MEMBER GERBIG: Yeah.

3 MR. KUSHI: She sponsored and had multiple  
4 hearings on the, this, not so much, well,  
5 it's conservation but it's basically  
6 prohibition on water usage. You can only  
7 water certain days, hours of the day and you  
8 can't...

9 MEMBER GERBIG: But that never passed, did  
10 it?

11 MR. KUSHI: No.

12 VICE CHAIR ROBINSON: No, but it, it wasn't  
13 dead. My understanding was that it just was  
14 tabled.

15 MR. KUSHI: It might be still an agenda on  
16 the water use, Water Resources Committee but  
17 there was extensive meetings and testimony  
18 on that. Everybody got excited. The hotel  
19 industry.

20 MEMBER GERBIG: I'm sure.

21 VICE CHAIR ROBINSON: Well, it was a  
22 question also I think of the labor for the  
23 department to monitor something like that,  
24 right Ed?



1 MR. KUSHI: Yeah, in essence they would  
2 have to establish a water police division.  
3 DIRECTOR ENG: Yeah. I think right now,  
4 Don, we're planning for our next fiscal year  
5 is to go with a fourth block. Probably for  
6 all general, we will take some heat but it's  
7 time to really hit the larger consumers. We  
8 don't have enough information with our  
9 current billing database to really get into  
10 different classes and separate everyone out.  
11 We basically have a general rate customer.  
12 So unfortunately, it's going a, we're not  
13 quite sure how we're gonna do it. We might  
14 try to single out a single family class  
15 again or the residential class; make an  
16 attempt to do that. In my first year, that  
17 is what we did propose, a fourth block for  
18 the single family and I gotta good  
19 indoctrination with the council during that  
20 budget meeting and didn't pass. This year  
21 we're gonna make an attempt. It might be  
22 like a fourth block for the general rate  
23 customer. We'll probably hear it a lot from  
24 the commercial users but I think we'll get

1 some support this time.

2 MEMBER GERBIG: Thank you.

3 VICE CHAIR ROBINSON: Has there ever been a  
4 discussion about the idea of decoupling the  
5 department's profits from...?

6 DIRECTOR ENG: We're not, we're, we're not  
7 like a regulated utility. They've done it a  
8 lot for regulated water utilities; I know in  
9 California.

10 VICE CHAIR ROBINSON: Yeah, that's what I  
11 was thinking of.

12 DIRECTOR ENG: So you're not definitely  
13 tying your sales to, to profitability.  
14 We're, we're break even utility. So, so we  
15 don't have any profits. So, but we still  
16 need, again, we, we need, we have revenue  
17 requirements to, to keep the department  
18 operating. Little bit different because  
19 we're not regulated by the PUC. We're  
20 regulated basically by the politicians. So,  
21 I don't think that would work for one thing.

22 VICE CHAIR ROBINSON: Right, right.

23 DIRECTOR ENG: So, it's really just up to  
24 the department to the, to the best we can

1 during budget time, to educate the  
2 politicians; 'cause all year long I'm  
3 hearing from them, hey, you gotta get the  
4 fourth block, y'know, they do understand we  
5 have the lowest rates of any of the  
6 municipal utilities in the state. But when  
7 it comes time for them to sign on the dotted  
8 line for rate increases...

9 VICE CHAIR ROBINSON: Not in an election  
10 year.

11 DIRECTOR ENG: Yeah, they don't know who  
12 are, y'know, so. But it's just really  
13 requires us to do our best effort to  
14 educate. And I think they do seem to  
15 understand our revenue needs. And that we  
16 have lowest rates in town. They just gotta  
17 take the next step further y'know. And I  
18 think y'know it, at, at some point they're  
19 gonna have to understand that to operate, to  
20 meet all these CIP improvements and  
21 projects, we gotta get through rates, unless  
22 they know how to seek other kinds of funding  
23 or financing.

24 VICE CHAIR ROBINSON: There was a, a,

1 something in the Maui News that said we're  
2 experiencing the worst drought in 10, in a  
3 100 years or something, and, and what you  
4 actually said seem to contradict that that  
5 we're not, it's not that dire when Warren  
6 was talking about what's happening to  
7 cattle..

8 CHAIR HOWDEN: Warren was talking a lot  
9 about seasonal, what is really seasonal..

10 VICE CHAIR ROBINSON: Seasonal, but, but  
11 over the long range, are we experiencing a  
12 lot less rainfall?

13 DIRECTOR ENG: I think so. That's  
14 everything I've heard. I mean, just low  
15 rainfall that we have been experiencing and  
16 the records show it y'know but the question  
17 is, is this what we're experiencing unusual  
18 or is it gonna be the future norm? Again,  
19 the National Weather Service indicates we're  
20 shifting to a La Nina conditions which  
21 usually means..

22 VICE CHAIR ROBINSON: More rain.

23 DIRECTOR ENG: More rain come October to  
24 February-March.

1 VICE CHAIR ROBINSON: So, we'll see.

2 DIRECTOR ENG: But who really knows. I  
3 mean the same person who tells us that it's  
4 a La Nina will not forecast the weather, or  
5 rainfall for us either. He'll back away  
6 real quickly, so. They don't really know.  
7 Again, I go for Upcountry I just see how  
8 much water we have in the system available  
9 and if we're losing storage then we'll make  
10 the appropriate management decisions. And  
11 it looks like now, the recent couple weeks,  
12 things are trending lower; the Wailoa Ditch,  
13 our Piiholo Reservoir capacity so there  
14 might be some things we'll need to do.

15 MEMBER BOTEILHO: So what level does it  
16 trigger the Pookela?

17 DIRECTOR ENG: I've told my staff and I've  
18 told them even in, in June is that if we see  
19 Wailoa down about 25 million gallons per day  
20 and it's getting there, start up Pookela,  
21 so.

22 CHAIR HOWDEN: Good, good. Yeah, there was  
23 something, I, in answer to your question is  
24 the book by David Orr called Down to the

1 Wire, deals with climate collapse or climate  
2 destabilization. A very short book, but  
3 very, very dense. He teaches at Oberlin.  
4 It's kinda scary. It's kinda scary. Ok.  
5 So we done? Any thing else to...John.

6 MEMBER HOXIE: I have one more comment and  
7 I, this has to do with the Lana'i Water Use  
8 Plan. I mean, I don't how we're gonna  
9 respond to this. This thing is enormous.  
10 It's gonna take me 6 months to read it.

11 VICE CHAIR ROBINSON: Yeah, I, I talked to  
12 Ellen and she, she really suggested that we  
13 read the Executive Summary. That was her  
14 advice.

15 MEMBER HOXIE: Well, even the Executive  
16 Summary is, I'm not really, well, it's, it's  
17 not that simple. And I refer back to our  
18 Central Maui Plan y'know, which is how much  
19 more water is handled by this about 4-5  
20 times. I'm just concerned about how we're  
21 gonna handle this. The format that Freedman  
22 has here is pretty straightforward and, and  
23 so those are just, I just wanna make that  
24 comment. I don't know how much of you have

1 read this but this is, I mean it covers  
2 everything from controlling rats to, y'know.

3 CHAIR HOWDEN: Well, there's a lot of  
4 redundancy in there.

5 VICE CHAIR ROBINSON: Yeah, that's why I  
6 think, I think take Ellen's advice and, and  
7 concentrate on the Executive Summary. Our  
8 sense in just hearing after the meeting some  
9 comments that were coming from the public,  
10 they're, they're going to be issues raised  
11 and obviously that's part of why we're going  
12 over there, is that we need to hear, hear  
13 what the public has to say and it's a  
14 different dynamic of course 'cause it's a  
15 private...

16 MEMBER GERBIG: Private water system.

17 VICE CHAIR ROBINSON: Water system and so  
18 we have to balance what we're hearing from  
19 the public with the fact that it's a private  
20 water system and water is a public trust.  
21 And that's why we're going there, is that we  
22 need to be able to hear what the public  
23 feels and says and make our recommendations.  
24 And there's definitely a, a, a request on

1 the part of Castle and Cooke to build more,  
2 to do more development over there and so  
3 that is the one place where we have control  
4 by the county is they have to get permits  
5 just like everyone else.

6 MEMBER HOXIE: Yeah, but not from the Water  
7 Department, from the Planning Commission.

8 VICE CHAIR ROBINSON: True, but you know  
9 how intertwined those are just by our  
10 hearing today.

11 CHAIR HOWDEN: Well, also they're under  
12 certain constraints from the Land Use  
13 Commission as well. So, I mean it's a  
14 complex issue. I think the great thing  
15 about it is that, that there's a sense of  
16 getting a really good overview of, of an  
17 island that's totally dependent on one  
18 aquifer and also fog drip. So, I mean there  
19 are complex issues and I think it's a great  
20 educational opportunity for members of the  
21 board. And I agree with you, John. I would  
22 just skip the graphs. I mean that, that  
23 must be 2/3 of those 800 pages. Because  
24 it's so..



1 DIRECTOR ENG: And that's just some of 'em,  
2 too.

3 VICE CHAIR ROBINSON: Is what?

4 CHAIR HOWDEN: Already there and, and, and  
5 you'll see the redundancy as you, as you  
6 read through. There's so many things that  
7 are repeated, like the rats and different  
8 plants and this and that. Read what you're  
9 drawn to but the Executive Summary and some  
10 of the conclusions at the end I think would  
11 be basic for us.

12 MEMBER YAMAMURA: I agree with John.  
13 That's what prompted my question about who's  
14 preparing the Upcountry Water Use Plan.

15 DIRECTOR ENG: All the other plans are  
16 being done by Carl Freedman. At some point  
17 I, I would like to have our staff step in  
18 and handle some of that effort. It is quite  
19 costly for us too and especially if it is  
20 drag out much longer because after the  
21 Upcountry plan we have the West Maui plan,  
22 and then we have Molokai, we have Hana.  
23 Things will be done a little bit differently  
24 in the future. I'd like to do more of that

1 effort in-house. Rather than just rely on  
2 one consultant too.

3 CHAIR HOWDEN: Any last questions? Ok.

4 DIRECTOR ENG: Good, thank you.

5 MEMBER YAMAMURA: No lunch?

6 MEMBER LESTER: You're getting pretty good  
7 at that gavel.

8 VICE CHAIR ROBINSON: What, no lunch?

9 MS. HAYASHIDA: Michael, can you please  
10 state for the record that meeting adjourned.

11 CHAIR HOWDEN: Meeting is adjourned. Ok.

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14 (The meeting adjourned at 12:45 p.m.)

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Prepared and submitted by:

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Gaye Hayashida  
Commission Support Clerk

Approved on: \_\_\_\_\_