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BOARD OF WATER SUPPLY

County of Maui

Maui County Water Use and Development Plan

Lanai Water Use, Development
and Protection Plan dated June 28, 2010

PUBLIC HEARING

Wednesday, October 13, 2010

5:00 p.m. to 7:30 p.m.

Lanai High and Elementary School

Cafeteria

555 Fraser Avenue

Lanai City, Lanai, Hawaii

BEFORE: SANDRA J. GRAN, CSR NO. 424
Registered Professional Reporter

1 BOARD OF WATER SUPPLY:

2 Michael Howden, Chair
3 Phyllis Robinson, Vice Chair
4 Kui Lester, Member
5 Donald Gerbig, Member
6 John W. Hoxie, Jr., Member
7 Kevin Boteilho, Member

8 Corporation Counsel: Edward S. Kushi, Jr.

9 Secretary: Gaye Hayashida

10 Presenter: Edna Manzano

11 Testifiers:

12 Fairfax "Pat" Reilly
13 Donavan Kealoha (Letter read by Pat Reilly)
14 Clay Rumbaoa
15 Bryan Plunkett
16 John Stubbart
17 John Ornellas
18 Jay Penniman
19 Beverly Zigmond (Letter read by Sally Kaye)
20 Sally Kaye
21 John Irons
22 Diane Irons
23 Ron McOmber
24 Jim Clemens
25 Kepa Maly
Chelsea Kahananui
Butch Gima
Alberta de Jetley
David Green
Sol Kahoohalahala
Caron Green
Robin Kaye
Lisa Galloway
Ceysha Akau
Lisa Ferentinos
Matthew Mano

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P R O C E E D I N G S :

CHAIR HOWDEN: Hello. Okay. I would like to call the -- this public hearing to order. My name is Michael Howden. I'm chair of the Maui County Board of Water Supply. I would like to introduce to you the folks who came over to participate in this hearing.

First, Phyllis Robinson, vice chair of the Water Board; Kui Lester from Molokai; Don Gerbig; John Hoxie; Kevin Boteilho; and our Deputy Corporation Counsel Ed Kushi; and Gaye Hayashida, our board secretary is here.

And we'll begin with a brief slide show on the Water Use, Development and Protection Plan by Edna Manzano, and then we'll go into the testimony phase of the hearing. I really encourage you to come forward and speak. It would be very helpful for us to have the manao of as many Lanaians as we can have. You are limited -- the format is that you are limited to three minutes, plus a minute to kind of slow down. You're welcome to come back at the end of the hearing and testify yet again. And I'll call the names of the people who have signed up. If you haven't signed up, the table right behind Edna, you can use that one.

Any questions before we start?

Okay. Thank you.

MS. MANZANO: Good afternoon. My name is Edna Manzano. I am with the Department of Water Supply in the

1 Water Resources and Planning Division. I would like to take
2 this opportunity to thank the Lanai Advisory Committee for
3 their hard work and for helping the department prepare this
4 plan.

5 I would like to give you a brief summary of the
6 Lanai Water Use, Development and Protection Plan. The plan
7 includes the following chapters: Executive Summary,
8 Regulatory Framework, Existing Resources and Systems, Demand
9 Analysis, Supply Options, Resource Water Protection, Policy
10 Issues & Recommendations and Implementation.

11 I will skip the Executive Summary as the synopsis of
12 the entire plan. The second chapter is Regulatory Framework.
13 This chapter summarizes the pertinent regulations that affects
14 water and water-related issues on Lanai. The Water Use,
15 Development and Protection Plan is undertaken to meet all the
16 requirements of the State Constitution, Hawaii Revised
17 Statutes, Hawaii Administrative Rules, Hawaii -- Maui County
18 Charter and the Maui County Code. It also has to be
19 consistent with the State Water Resources Protection Plan, the
20 Water Quality Plan, the State Agriculture Projects Plan, State
21 District Land Use classifications and the County General and
22 Community Plans. In addition, plans have to conform with the
23 Safe Drinking Water Act, the Endangered Species Act, and other
24 water-related legislation or regulations.

25 The Commission on Water Resource Management

1 estimates that -- estimates and has set 6 million gallons as
2 the legal sustainable yield for the island of Lanai, 6 million
3 gallons per day; however, there are nine aquifer systems in
4 four sectors in Hawaii -- in Lanai and there are like -- and
5 there are aquifer systems in four sectors; however, only the
6 central half -- in the central aquifer sector is where fresh
7 water is located. It's in the windward and leeward aquifers,
8 which has 3 million gallons each sustainable yield.

9 Lanai has five water systems: Two public drinking
10 water systems, two reclaimed water systems, and one brackish
11 water system. In terms of infrastructure, Lanai has roughly
12 93 miles of pipelines. Of this, 73 miles are active and the
13 rest are abandoned or out of use.

14 This map shows Lanai water systems by type of water
15 served. The blue lines is the potable water, aqua is brackish
16 and purple is wastewater, which is way down on the Manele side
17 and another one on the Lanai City side.

18 This next slide shows the Lanai water system by
19 service district area. That's the Koele project district,
20 Lanai City, Kaumalapau, and Manele and Hulopoe irrigation.

21 Lanai has 23 well holes, but only seven are in use.
22 These wells have approximately 6.4 million gallons in
23 installed well capacity, of which 5.04 million gallons is
24 potable. The rest of the wells are not in use due to high
25 usage cost, high chlorides and water levels dropped. Wells 6

1 and 8 serve Koele, Lanai City and Kaumalapau. Wells 2 and 4
2 serve Manele, Hulopoe and the Palawai irrigation grid. And
3 Wells 1, 9 and 14 are brackish water and they serve -- they
4 serve Manele and the Hulopoe irrigation. Lanai also has 4.8
5 million gallons in potable water storage in eight tanks and
6 about 35 million gallons of nonpotable storage.

7 In terms of the map analysis, in 2008 pumpage was
8 reported at 2.23 million gallons, which is broken down as --
9 in like 1.9 MGD in the leeward aquifer and in the windward
10 aquifer is 0.3 million gallons per day.

11 It has consumption of 1.66 -- in 2008, 1.66 million
12 gallons was consumed. And this is the breakdown of the major
13 consumption. And, also, this one is pumped metered and
14 unaccounted for water by well service area. The standard
15 unaccounted for water is between 13 percent and 50 percent.
16 You can see Wells 6 and 8 have 13.52 percent unaccounted for
17 water, which is like 2,000 gallons per day. Wells 2 and 4 has
18 like 44.61 percent. And Wells 1, 9 and 14 has 18.76 percent
19 unaccounted for water.

20 Unaccounted for water consists of both losses and
21 non-metered uses. Non-metered uses may include fire demand,
22 street cleaning, illegal hook-ups, or legal services that are
23 unmetered as well as system leaks.

24 Island-wide projection for year 2030 using various
25 forecasting methods range 2.43 plus to 5.84 plus to as high as

1 7 million gallons per day, which could require pumpage as high
2 as 5.84 million gallons per day to meet all demands. Without
3 conservation, existing sources, reclaimed water as well as
4 other alternative sources, would result in total demand
5 exceeding Lanai's total sustainable yield.

6 This chapter, this is the Supply Options chapter.
7 This chapter discussions methods to provide for the projected
8 demands identified in the Demand Analysis section -- chapter.
9 We list the number of source options to meet this demand and
10 it includes new sources, which are new wells in the leeward
11 aquifer, two wells in the leeward aquifer and four wells in
12 the windward aquifer as well as recommissioning of existing
13 wells, brackish wells mixing with fresh water, brackish wells
14 with desalination, and seawater desalination. It includes new
15 sources, loss reduction and demand side management which
16 include 485,000 gallons per day in efficiency measures. I
17 will give you the breakdown of this 485,000 gallons later.

18 So the red triangles are where the new wells, the
19 proposed wells would be installed.

20 Loss reduction options include pipe replacement,
21 recycled waterline to Miki Basin Industrial Park, recycled
22 waterline to Manele, and cover on the 15 million gallon
23 reservoir.

24 The next chapter is Source Water Protection. Fog
25 drip from Lanaihale is very important to Lanai. The

1 Commission on Water Resource Management has estimated that the
2 loss of fog drip from the watershed could cause water levels
3 in the recharge area to drop by half. Source water protection
4 for Lanai includes watershed protection, well head protection,
5 operational management to avoid over pumpage.

6 And threats to the watershed includes habitat
7 alteration by feral animals, human activity and invasive
8 species, erosion and drought, high vulnerability to fire due
9 to mesic conditions combined with the spread of fire-inducing
10 weeds.

11 To reduce these threats the key management measures
12 are: Fencing the most valuable watershed, eliminating feral
13 animal ingress to fenced areas, removal of non-desirable weed
14 and animal species, and limit human activities in key areas.

15 These are all the key findings during the planning
16 process: By engineering standards for potable water systems,
17 Lanai City does not meet redundancy standards for source.
18 Kaumalapau has substandard fire protection and waterlines.
19 Manele meets standards for potable water, but tanks and
20 reservoir need replacement. The Palawai irrigation grid has
21 high system losses and is in poor repair, has declining water
22 levels, declining forest, water utilities are not
23 self-supporting, rates and fees do not cover operations and
24 are not sufficient to make improvements needed and revenues
25 are supplemented by parent company.

1 Okay. This is the 485,000 gallons identified in the
2 Supply Options chapter and it's broken down into roughly where
3 the savings would be most likely to apply. So to replace
4 broken and leaking pipes, about 200,000 gallons will be saved,
5 which is in the Palawai grid, Manele and Palawai grid. This
6 is fresh water. For landscape, it's like 111,000 gallons.
7 Fixture replacement is 100,000 gallons per day. Leak
8 detection and repair savings of 40,000 gallons. Covering the
9 brackish reservoir is 14,000. Hotel and landscape incentive
10 is 20,000 gallons. For a total of 485,000 gallons.

11 The Lanai Water Advisory Committee wasn't able to
12 reach consensus on an allocation proposal. This allocation
13 proposal is the recommendation of the Department of Water
14 Supply staff, which are based -- which were based on the Lanai
15 Water Advisory Committee discussions, proposals by the
16 committee -- by Castle & Cooke, and forecast repair for the
17 community plan update. The 500,000 gallon per day agriculture
18 reserve is one of the key recommendations from LWAC for the
19 allocation portion. 600,000 gallons per day is the resource
20 reserve, which is like 10 percent from each aquifer, from the
21 windward and leeward aquifer. Another thing is that
22 conservation as major source of supply and it has to be done
23 within the first five years. And also require clear
24 identification of source before allocation in Water Use,
25 Development and Protection Plan is granted.

1 So prior to 2015, toilet/fixture replacement, leak
2 detection, water audit and landscape and hotel incentive
3 programs should commence and roll in over the planning period.
4 By 2015 Palawai grid pipe repair is to be completed. Cover
5 for brackish reservoir to be completed, too. And an annual
6 water audit conducted.

7 By 2025, new wells in the windward aquifer is to be
8 completed or designation proceedings based on demand in
9 leeward would be 2.7 million gallons per day.

10 By 2030, if all conservation and reserves are
11 followed, designation may not be necessary within the planning
12 period. A rate design to meet revenue requirements for
13 operations and planned improvements is also recommended.

14 The Lanai Water Advisory Committee was established
15 in the -- in an advisory capacity by resolution of the Board
16 of Water Supply for the purpose of updating and implementing
17 the Water Use, Development and Protection Plan. Since the
18 island is served by a private water utility, it is imperative
19 that the committee be established by ordinance. A draft
20 ordinance establishing LWAC is provided in the plan.

21 Next step -- next steps: Here is where we are,
22 we're in public hearing; the next one will be council hearings
23 and deliberations; and then we'll do edits and ordinance; and
24 then implementation.

25 With that, thank you very much for your time.

1 (Applause.)

2 CHAIR HOWDEN: Thank you, Edna.

3 So for those of you who came in a little late or who
4 changed your mind, you can sign up to testify on the table
5 behind Edna. There should be a sign-up sheet. You have --
6 our format is that you would have three minutes and then a
7 minute to finish. Gay Hayashida will be either waving or
8 throwing things at you. I'll announce the names of the person
9 who will be testifying and the person following so you'll be
10 ready.

11 The first person is Fairfax Pat Reilly, followed by
12 Donavan Kealoha.

13 MR. REILLY: Aloha, members of the Board of Water
14 Supply. My name is -- I go by Pat Reilly. My legal name is
15 Fairfax Reilly. I'm a resident of 32 years of Lanai and a
16 retiree after 31 years at this school.

17 And I appreciate the students that are here today
18 and I hope you continue to come and the teachers who support
19 you. Thank you very much for being here.

20 In the packet I had submitted a letter on August
21 11th at the prior hearing and I just submitted another letter
22 today. And so I will address the issues in my new letter.

23 I would like to address in your packet the letter
24 from Castle & Cooke from Mr. Clay Rumbaoa and Mr. John
25 Stubbart. This is my personal view. It seems to me to be a

1 reflection of a corporate attitude. I respectfully disagree
2 with their interpretation on all five points. My perspective
3 of their arguments paints a different picture. Their
4 statements -- and I have attended over the 30 years many
5 meetings of the Water Committee and in the water meetings that
6 they have clearly stated that their intention is to acquire
7 all water immediately to increase the value of their assets,
8 of their land, which they have publicly said in a meeting that
9 they intend to sell in part or in portion those land rights.
10 And they have -- the corporation has mortgaged this island for
11 \$600 million in part with Wells Fargo. This leaves the
12 community with a very edgy feeling as to 20 years from now
13 when I'm not here and our young students are residents of this
14 beautiful island and have to deal with water.

15 My recommendation is that this water plan be adopted
16 in whole and complete. Each portion of this plan is an
17 integral part to another portion of the plan and by changing
18 parts of it, you're going to change how the whole clock works.
19 I have found that -- and I don't -- I'll just say this: Ms.
20 Kraftsow did an excellent job in the details of this plan and
21 when this -- this is a miracle to me. This is a gift to the
22 residents of Lanai. Long after you're gone, long after I'm
23 gone, the planning commission, the County of Maui can refer to
24 this document as a guide to this very fragile resource.

25 To my understanding, this is probably the most

1 fragile aquifer on Lanai and in the state of Hawaii. The
2 recharge -- and I'm sure you'll hear it from other people
3 today, our recharge is not happening with this drought. We
4 have, I think, according to the National Weather Service when
5 I look at that, less than 15 percent of our normal rainfall
6 and that's over a long period of time. And I think Ms.
7 Kraftsow already indicated some well levels are dropping.
8 Hundreds will tell you animals are dying in the field. Not so
9 good.

10 So I urge you on two things: Adopt this plan in
11 total and institutionalize the Lanai Water Advisory Committee
12 because as a private water system, this will be the only thing
13 the residents have, the only vehicle the residents will have
14 to monitor this very fragile resource. Thank you very much.

15 CHAIR HOWDEN: Thank you, Pat.

16 Any questions from members of the board?

17 I think we're actually very sobered by Ellen's
18 report, realizing how fragile your water resources here are.
19 And I just want to assure you, Pat, that we take it very
20 seriously.

21 Donovan Kealoha, followed by Clay Rumbaoa.

22 MR. REILLY: Is it okay if I'm reading?

23 CHAIR HOWDEN: If he's not here, sure. All right.

24 MR. REILLY: This is a letter from the president of
25 Lanaians for Sensible Growth, Donovan Kealoha. And I think

1 the letter is part of the packet. It's dated August 11th.

2 Dear Chair Howden and Members:

3 Thank you for convening this hearing on Lanai
4 regarding the June 28, 2010 Lanai Water Use, Development and
5 Protection Plan. The board of Lanaians for Sensible Growth,
6 LSG, urges the Board of Water Supply to take three actions:

7 One, approve the June 28, 2010 draft of the Lanai
8 Water Use, Development and Protection Plan.

9 Two, recommend adoption of this draft in a timely
10 manner to the Council of Maui County and to the State
11 Commission on Water Resource Management.

12 And, three, to recommend to the Council of Maui
13 County to permanently incorporate the Lanai Water Advisory
14 Committee, LWAC, as provided in the June 28th, 2010 draft,
15 appendix H.

16 LSG expresses our appreciation to Ms. Ellen
17 Kraftsow, Department of Water Supply, and the author of the
18 plan. She has created an historic document that will serve
19 Lanai, the County of Maui and the State of Hawaii to protect
20 and to manage our fragile water resources. With the
21 continuing drought, the deterioration of the watershed and the
22 decline of well levels Lanai may be the most threatened island
23 aquifer in Hawaii.

24 Your strong support and recommendation will serve to
25 ensure timely protection of our resources and the future of

1 Lanai residents.

2 Sincerely, Donovan Kealoha, President, Lanai's for
3 Sensible Growth. Thank you.

4 CHAIR HOWDEN: Thank you, Pat.

5 Next will be -- Any questions?

6 Okay. Next will be Clay Rumbaoa, followed by Bryan
7 Plunkett.

8 MR. RUMBAOA: Good evening and welcome to --

9 MR. REILLY: It's off.

10 MR. RUMBAOA: Good evening and welcome to Lanai,
11 Chairman Howden, members of the board and County staff. My
12 name is Clay Rumbaoa. I'm the director of engineering for
13 Castle & Cooke Resorts here on Lanai. I'm here this evening
14 to highlight some of our issues with this Lanai Draft Water
15 Use, Development and Protection Plan.

16 Number one, this Lanai Draft Water Use, Development
17 and Protection Plan presents data and information that is
18 confusing and provides misleading interpretation of data.
19 Excuse me. I would like to start that again, please.

20 Number one, the Draft Water Use, Development and
21 Protection Plan provides an enormous amount of data,
22 information, most of which is relative to the island of Lanai.
23 The data and information is confusing and provides
24 interpretation that can be used incorrectly. This plan is a
25 dangerous plan. For example, in the analysis for population

1 growth and water protection, the plan realizes five different
2 methods, two of which is the build out analysis and the second
3 method is the de facto method, which was the eventual method
4 that was used. In the de facto method that was used it
5 further analyzes growth and water protection in six different
6 ways: The low, medium and high method, which also includes --
7 which also includes the -- which also -- sorry, which also
8 includes the -- -- a 1.0, 1.5 and 2.0 analysis. What we --
9 what Castle & Cooke did was we took the --

10 Excuse me. Can I come back later?

11 CHAIR HOWDEN: Yes, of course.

12 Next is Bryan Plunkett and after him is John
13 Stubbart.

14 MR. PLUNKETT: Chairman Michael Howden and members
15 of the board, my name is Bryan Plunkett. I am conservation
16 manager for Castle & Cooke Resorts. Although I concur with
17 many of the measures stated in the Water Use, Development and
18 Protection Plan, there are certain sections in the
19 implementation measures which may not be possible to
20 accomplish from a practical standpoint. Specifically, chapter
21 8, Implementation section of the Maui County Water Use,
22 Development and Protection Plan I would like to point out the
23 following:

24 On page 8-5, figure 8-3, Near term measures, quote,
25 "Construct Increment 3 - Complete by 2015," I am sure that

1 when that provision was made it did not take into account that
2 the economy would fall dramatically and grant monies would be
3 cut drastically for all watershed projects and the discovery
4 of a large population of the endangered Hawaiian Petrel would
5 change the route of Increment 3, which at a minimum tripled
6 the cost of construction to about \$1 million. Therefore, the
7 completion date should be adjusted or reworded to account for
8 unforeseen circumstances.

9 Also, on page 8-6, figure 8-5, Mid Term Measures, it
10 states one measure is to, quote, "raise height of fence in
11 areas where this is needed -- where fence is less than nine
12 feet tall," unquote. Based on Federal USDA-NRCS standard
13 height for access control fences at 7 feet, 3 inches we
14 installed 12 miles of fence. The nine feet tall fence height
15 measure would require us to raise all 12 miles by another 21
16 inches. That is a costly and time-consuming effort. In the
17 past five years I have never seen any feral ungulate jump over
18 the fence even under duress, being chased by dogs. So from a
19 practical standpoint, raising the fence to nine feet tall is
20 not necessary and probably unprecedented.

21 On the same page another measure says "Eliminate
22 rodents using traps, bait and other methods" and, quote,
23 "Eliminate insects and other pests using protocols
24 identified." From a practical standpoint, it is not possible
25 to eliminate rodents or insects in an open ecosystem like a

1 forest. A suggestion is made to insert or replace the word
2 "eliminate" with "control" or "manage." Therefore, these
3 measures kept in present form as a conditional if provision
4 for allowing construction projects to proceed will in effect
5 stop construction projects from proceeding because some of
6 these measures are impossible to accomplish.

7 These are just some of the examples that contain
8 overly restricted language that need to be reworded to make it
9 practical to accomplish. I therefore request that the Water
10 Use, Development and Protection Plan not be approved as
11 written. Furthermore, implementation requirements should be
12 balanced with financial practicality. Thank you.

13 CHAIR HOWDEN: Thank you, Bryan. I have some
14 questions, but first I would ask if other board members have
15 questions.

16 Okay. You know what? I agree with you on some of
17 this. The two examples you have -- obviously a seven-foot
18 fence will probably do for access deer. When you go back to
19 Huoki's Summary of the Habits of Access Deer published by
20 DLNR, generally six to seven feet will cover that.

21 Also, I would point out that Ellen spent forever
22 writing this and I'm sure her language could have been better
23 in some instances. To eradicate rodents I think is the ideal.
24 Certainly control or manage is okay. What does concern me --
25 and I do have a question about the fencing of Lanaihale and I

1 think it's something that the board as a whole has really
2 focused on. I hope I'm not speaking out of place here, but on
3 key points in chapter 6, the opening paragraph, "Lanai is
4 unusually dependent upon its mauka watershed, because Lanai is
5 dependent upon fog drip. Over 65 percent of the recharge in
6 the primary high level aquifer for Lanai is believed to be
7 attributable to fog drip. Loss of fog drip from Lanai Hale
8 would lead to the loss of over 50 percent of the water levels
9 in the Central aquifer, essentially the only viable water
10 source for the island. Estimates from studies elsewhere
11 indicate that fog drip interception by mountain forests
12 increase precipitation by as much as 30 percent, and recharge
13 by 10 to 15 percent."

14 So, you know, I've wanted to meet you anyway,
15 because you're key in this whole thing, what you feel Castle &
16 Cooke can do to really protect the essential watershed of this
17 island, which seems to be somewhat variable if you go by
18 Hoppy's study in 39 and Hardy and things like that, the
19 different sources cited here. You know, I personally feel
20 it's imperative that somehow there be a real effort at
21 restoration forestry and remediation of the watershed;
22 otherwise you're dead in the water. It doesn't matter how
23 much, you know, you try to sell a property, it's all
24 ephemeral.

25 And when I look at water use like especially like

1 Manele, Ellen said, I mean, these are half-acre lots, I
2 believe, and she pointed out that people will use on average
3 600 gallons a day of potable water, but an average of 2,500
4 gallons a day on irrigation. And there was a high of 9,000
5 gallons a day mentioned in that. But, you know, when you can
6 run a market gardening operation on 2,000 gallons a day per
7 acre, that use seems kind of excessive, especially considering
8 that you're nowhere near build-out.

9 And I think in terms of the integrity of the
10 corporation in terms of selling property to people who are
11 very unfamiliar with the limitations of this aquifer, that I
12 think the corporation would do well to take care of the
13 primary aquifer and the sources for that.

14 MR. PLUNKETT: Yeah. I don't disagree with anything
15 you said. Basically the fence is certainly high priority on
16 my list, but there are other factors involved, other -- with
17 the grants not being available, that we have to refocus our
18 intention to maybe just restore certain areas. But the fence
19 has always been my focal point, completing the whole 20 miles,
20 approximately, of fence. And everything else can take place,
21 restoration, reforestation, removal of invasive species, but
22 the fence comes first, the deer section, and invasive species
23 and restoration follows.

24 But much of the information in this implementation
25 concentrate on birds and snails, which really doesn't

1 contribute to the aquifer, but really kind of sidetracks the
2 issue in this Water Use, Development and Protection Plan. We
3 should be refocused on restoration of the forest and by the
4 means that's highlighted here. And it's a degraded habitat,
5 yet you can have a fog drip or retention of water. That's all
6 the focus should be on, not extraneous other things like
7 trying to protect the snail, then incorporate that to a
8 build-out, you don't do this, which has really not very much
9 impact on water itself. I think that's kind of restrictive on
10 this Water Use, Development and Protection Plan.

11 CHAIR HOWDEN: Board questions?

12 Okay. Yeah, I think Ellen's perspective was a
13 forest, you know, where all the functions are integrated, you
14 know. I don't think that there's like an undue emphasis on
15 mollusks or whatever, you know.

16 MR. PLUNKETT: It's almost like trying to describe a
17 perfect system. There's no such thing. You can't eliminate
18 rodents, you can't eliminate insects that have been around
19 forever. Controlling them where necessary, that kind of
20 wording is much more practical and palatable than eliminate.

21 CHAIR HOWDEN: Yes. I guess it's overwhelming in
22 many ways facing this. This is one of the areas where the
23 residents of Lanai seem to be in agreement, unbelievably so,
24 you know. Because I know that there are a lot of -- you know,
25 everybody has different kuleanas, but without the water, there

1 is no honey. There's no habitation of this island. There's
2 no development. There's nothing. So, anyway, thank you very
3 much.

4 MR. PLUNKETT: Thank you.

5 CHAIR HOWDEN: John Stubbart, followed by John
6 Ornellas.

7 UNIDENTIFIED SPEAKER: Is Clay going to come back
8 up?

9 CHAIR HOWDEN: Clay is welcome to come back any
10 time. I just wanted him to catch his breath.

11 MR. STUBBART: Welcome, Chair Howden and the other
12 board members. I'm John Stubbart, Director of Utilities and a
13 member of the Lanai Advisory Committee. We support the
14 principles in the Water Use and Development Plan as critical
15 to the water company's ability to serve its customers and
16 support the community in the future in meeting our long-term
17 goals. However, we would like to ensure the plan is realistic
18 and achievable; not conditional, impractical or unrealistic as
19 certain sections of the plan are overly prescriptive,
20 sometimes impractical and are difficult to implement.

21 We have already made headway on the unaccounted for
22 water which you talked about. It was really the brackish
23 water use in Manele where there was no fee at the time. We
24 have instituted fee structures and those water usages have
25 come down.

1 We agree with the leakage repair and basically the
2 concepts conservationists agree should be done. We do not
3 agree with the direct install program as the only program
4 offered and the short schedule that the County's DWS has
5 specified in the plan. Many of the programs are to be
6 completed by the year 2015. These programs require funding in
7 a difficult economy and access to people's homes and
8 installing fixtures. I would ask for additional years added
9 to the schedule and flexible options such as rebate programs
10 or different types of conservation programs in the home.

11 Conservation and the watershed protection plan notes
12 that the Water Use, Development and Protection Plan is being
13 tied to rate structures are supported by the water company,
14 but are subject to the approval of the PUC for inclusion in
15 rates. We'll be going for a rate case next year, but
16 suggested timelines or deadlines will be subject to the PUC
17 process and approval of these programs in the rates. The PUC
18 may not cover the cost of rates; therefore, these deadlines
19 should be removed and replaced with years after approval by
20 the PUC.

21 A large section of pipeline replacement is scheduled
22 to be completed by 2015 to receive credit for conservation.
23 Our plans are in place to replace 1.5 to 2 miles per year in
24 the steady pipe replacement program that can be funded. We
25 request that the pipe replacement program be steady and

1 realistic, not unrealistic in funding and punitive in water
2 allocations. We request the timeline be extended.

3 There are three draft ordinances in this report.
4 These ordinances should not encumber in this report, but be
5 removed and sent to the County for approval as standalone
6 actions since they are drafts. The final ordinances could
7 look very different and static drafts in the Water Use and
8 Development Plan could be misleading.

9 I have a few more things, but I will defer them. I
10 have written testimony.

11 CHAIR HOWDEN: You've got one more minute.

12 MR. STUBBART: The water company is not in favor of
13 moving the current Water Use and Development Plan forward as
14 written to the County Council. We respectfully request
15 changes be made to clarify issues raised here tonight.
16 Perhaps following the format and content of the Central Maui
17 plan would be appropriate. The choices we shall be making in
18 the Water Use and Development Plan directly impact the
19 viability of the community. These choices affect the quality
20 of life by sustaining the safety of fire protection water
21 services, having secure and reliable long-term source and
22 distribution system and having the ability to support and
23 expand businesses and jobs. Let's make sure it is realistic,
24 reasonable and usable. Thank you.

25 CHAIR HOWDEN: Any questions?

1 In Kaupo we used to fix the line with cloth and tie
2 wire, you know, because we were afraid if we fixed it too
3 good, other parts of the system would pop open, you know.

4 MR. STUBBART: We've replaced line for years, we
5 were actually doing leak repair and we have not been out there
6 doing leak line repair for months, knock on wood, and so --
7 but the lines do need replacement. We do have that program
8 and we do want to do that, but we have made large headway in
9 the hotel conservation and golf course conservation to 20 to
10 25 percent, so we're moving forward.

11 CHAIR HOWDEN: Thank you.

12 Okay. And, again, I would encourage people who have
13 come in late, if you want to -- if you feel like testifying --
14 and you're always welcome to send written comments to the
15 board, but if you want to testify, back on that table there
16 are these sign-up sheets. I really would encourage anyone who
17 feels likes it. You don't have to be a great speaker.

18 John Ornellas, followed by Jay Penniman. John.

19 UNIDENTIFIED SPEAKER: Clay wanted to speak after
20 John, so --

21 CHAIR HOWDEN: Well, it's up to John if you want him
22 to go.

23 Go ahead, Clay.

24 MR. RUMBAOA: Thank you. Again, good evening, Water
25 Board. Again, Clay Rumbaoa. Referring to chapter 7, table

1 7-11, the proposed water allocation table which is the
2 culmination of all the information and analysis that was
3 provided by the plan, one thing with all the analysis that was
4 done and the projection of population growth and water demand
5 that that table would show the systemic increase of water
6 demand, but, rather, that the table shows water demand
7 decreasing. And more specifically on the Manele project
8 district potable waterline you see the water decreasing for a
9 20-year period to the tune of 300,000 gallons per day. So
10 that's not even development. It's negative development. We
11 would have to take water meters away from the homes in Manele
12 and cut back on our hotel usage. So that is one of the
13 examples that I had mentioned in terms of the plan being
14 confusing and misleading and allowing erroneous decisions to
15 be made.

16 The second item I would like to mention is this plan
17 makes no mention and isn't consistent with the County
18 Ordinance 3502 Show Me the Water Bill. The bill states that
19 the water director shall evaluate each application by adding
20 up all your existing demands plus all your proposed
21 development. If that sum is less than your water source, then
22 your development applications can be signed off and approved
23 by the water director. This plan is inconsistent with that
24 ordinance and is difficult to implement.

25 When Castle & Cooke provided our build-out analysis,

1 we followed that method by identifying all our single-family
2 and multi-family homes on Lanai, all the commercial uses, all
3 the irrigation uses and that was our baseline. From there we
4 projected our development on a five-year basis identifying all
5 third-party development in addition to Castle & Cooke
6 development. That meant that we feel it would be easy for the
7 water director, the planning commissioners and the laymen to
8 use and follow the development moving forward.

9 In summary, when Castle & Cooke prepared our
10 build-out analysis, we imposed a pumping limit of 4.3 million
11 gallons per day. As you know, the sustainable yield for the
12 island of Lanai is 6 million gallons per day. The safe
13 pumping limit is 5.4 million gallons per day. Our
14 self-imposed limit is 4.3 million gallons per day.

15 CHAIR HOWDEN: One more minute.

16 MR. RUMBAOA: So in summary, the notion that Castle
17 & Cooke is jeopardizing and over pumping the aquifer is
18 totally false for the reasons I mentioned. We respectfully
19 request that the board reject and cause the rewriting of this
20 plan before it's moved forward. Thank you.

21 CHAIR HOWDEN: Thank you.

22 Any questions from other board members?

23 Okay. Clay, can I ask for the hotels, is there
24 anything -- are there any notices -- I've never been in your
25 hotels, but are there any notices that indicate that water

1 source is limited and that people should conserve or are
2 requested to conserve?

3 MR. RUMBAOA: Not that I know of. I haven't been
4 there recently, but not that I know of. Although when there
5 are certain issues like water quality issues, we do notify the
6 hotel to pass on, but not that I know of.

7 CHAIR HOWDEN: Okay. Yeah, I think -- certainly on
8 Maui Island there are notices a number of places that
9 indicate -- of course, they have low-flush toilets a lot of
10 places and that they encourage people to conserve, that it is
11 a limited resource, so -- Okay. Thank you, clay.

12 So next is John Ornellas, followed by Jay Penniman.

13 MR. ORNELLAS: Aloha, board members. Welcome to
14 Lanai. We are proud to present our Lanai Water Use and
15 Development Plan to you for approval. It has been over a
16 decade to produce this document. Many of our residents have
17 participated in this plan and have done a fantastic job. Even
18 though I'm a new member of the Lanai Water Advisory Committee
19 or LWAC, I feel a sense of ownership from the other members
20 and Lanai residents who painstakingly stuck through all the
21 frustrating and challenging times. Ellen should be praised
22 for all her hard work on this plan.

23 Let me be the first to let you know that this plan
24 is not perfect, but as we all know, this water plan is a
25 working slash living document. LWAC should be given the task

1 to keep the Lanai water plan relevant in the future. That is
2 why LWAC should be institutionalized since we understand how
3 fragile our water resources and aquifer is to Lanai.

4 Castle & Cooke Resorts was an active participant in
5 this plan over the years. I'm sure they have a few concerns
6 over the plan, but so do many of the Lanai residents and LWAC
7 members. As in the past, we can work together to provide all
8 the water needed for Lanai now and in the future. I support
9 this plan and I hope you will please approve the Water Use and
10 Development Plan as written.

11 In another related matter, over the past few months
12 we have read and heard about Castle & Cooke Resorts' blatant
13 efforts to sway and lobby you into changing and rejecting this
14 plan. Your discussions about going to lunch with Castle &
15 Cooke and how much money was spent, not listening to your
16 corporation counsel in the September 23rd, 2010 meeting about
17 discussing Lanai's plan when it was not on your agenda is a
18 clear violation of the Sunshine Law and topping it off wasting
19 hundreds of dollars of our tax money by not having quorum at
20 the last Lanai meeting on August 11, 2010. I have sat on a
21 few boards and commissions and I have always gotten a call
22 from staff on my attendance to the next meeting so quorum
23 could be established. I am sorry, but I feel your nonchalant
24 attitude towards our plan and the 3,000 residents of Lanai is
25 very disrespectful. If people do not have trust that the

1 government is looking out for them, what do we have left?

2 Thank you.

3 CHAIR HOWDEN: Hey, John, stick around a little bit.

4 Okay?

5 Ed, do you want to comment on any of that? Ed

6 Kushi.

7 MR. KUSHI: Comment?

8 CHAIR HOWDEN: Yeah.

9 MR. KUSHI: No.

10 CHAIR HOWDEN: No comment? Okay.

11 Yeah. A couple of us individually had lunch with
12 Clay and I think John, at least I did. You know, a \$15 lunch.
13 And my intention, which I had cleared it with corporation
14 counsel before -- and I'm only speaking for myself -- was
15 simply to listen to them and see what their concerns are,
16 which as you well know don't come out in the public meetings
17 like this.

18 Unfortunately, when we came here before, one of the
19 board members had an illness in the family and lost the date,
20 which can happen to any of us. I think it was a great waste
21 of money, obviously, and, you know, we apologize for that.
22 But I assure you, John, we do take this plan really seriously.
23 This is a -- this island is really a microcosm of the whole
24 state and so fragile in terms of water resources. And I hope
25 that you will reconsider your opinion of us.

1 MR. ORNELLAS: You want an answer now?

2 CHAIR HOWDEN: No, John, because we're going to
3 take -- but you're always welcome --

4 MR. ORNELLAS: Thank you for listening to my
5 testimony and I'll submit it, but all we got -- I got most of
6 information from your guys' minutes from your meetings, so --

7 CHAIR HOWDEN: Yeah. We were told at our last
8 meeting we had received a letter from Castle & Cooke. Our
9 Deputy Corporation Counsel Mr. Kushi said the proper way to
10 deal with this would be to accept that as written testimony at
11 this hearing rather than talk about it before. So we're
12 accepting it as written testimony now.

13 MR. ORNELLAS: All right. Thank you.

14 CHAIR HOWDEN: Okay. Thanks, John.

15 Okay. We're going to -- we're going to take about a
16 ten-minute break, five- or ten-minute break so our court
17 reporter can revive her hands and then we'll begin again.
18 Thank you.

19 (Pause in Proceedings: 5:58-6:06)

20 CHAIR HOWDEN: Okay. We're back in order, more or
21 less. Jay Penniman, followed by Beverly Zigmond. Jay.

22 MR. PENNIMAN: Aloha, Chairman Howden, Members of
23 the Commission. My name is Jay Penniman. I run the Maui Nui
24 Seabird Recovery Project. I came here in 2006 to look and see
25 if there were any of the endangered 'U'au, the Hawaiian

1 Petrel. I found that, much to our surprise, the second
2 largest known population of this bird lives in the watershed
3 area of Lanaihale. We put together the Lanai Native Species
4 Recovery Program, which we have four Lanai residents now as
5 staff members, we have outreach in the schools and public
6 education programs to try and educate the young people to
7 realize how vital their involvement in providing care for the
8 watershed is.

9 The reason that I come to testify now about this
10 Water Use and Development Plan is the Source Water Protection
11 chapter, chapter 6, which is an excellent compilation of what
12 has gone on in the past, the research that has been done,
13 the -- basically the condition of the watershed up there. And
14 I need to emphasize how critical that condition is. You
15 should understand that since -- I've only been here five years
16 working on this project and the degradation that's happened
17 during that time is remarkable. The movement of invasive
18 species into the watershed is -- it's hard to believe how fast
19 it has happened. Particularly strawberry guava, which is
20 clearly recently been shown to be a transporter of water. It
21 moves the water not down, but up, back away from the aquifer.

22 Rebuilding the forest, and that is the native forest
23 of Lanai is really the only answer to this. The Cook pine has
24 been shown to be an excellent gatherer of fog drip. The Cook
25 pine, as long as it stands as an individual tree, not a canopy

1 closed forest of Cook pine trees does, indeed, gather great
2 amounts of water. But that water then needs an understory in
3 order to move that water down into the aquifer. If it comes
4 down on to the ground, it runs away, it does not go anywhere.
5 I have not seen any of the studies that show what happens to
6 that water after gathered by the Cook pine.

7 When Castle & Cooke proposed to do wind development
8 on the north end of the island, they needed to do mitigation
9 because of the potential take of the endangered 'U'au and a
10 number of other species at their meteorological towers. The
11 money that they put into doing that mitigation came to our
12 project and we have cleared three acres. It was originally
13 designed as a restoration project, but Castle & Cooke worked
14 with the State and Federal regulators and brought the funding
15 down to enough money to clear that area. We're still
16 committed to finding additional funds to restore that area and
17 we continue with volunteer help from all around the island to
18 try and expand that clearing and bring that restoration into
19 fruition.

20 So this Water Use and Development Plan, I believe
21 the Source Water Protection chapter is an excellent place to
22 begin for developing watershed management planning, which is
23 the next step that needs to happen. Thank you.

24 CHAIR HOWDEN: Are there any questions for Jay?

25 Yeah, I -- yeah, I would like to refer people to

1 page 6.4-4 in chapter 6 that Jay referred to. "By breaking
2 the impact of heavy rains, holding large quantities of water
3 with surface tension and absorption, and thus allowing a
4 slower, more manageable impact to the ground via stem and leaf
5 drip, Hawaiian cloud forests not only reduce the erosive
6 impacts of freshets, but also enable higher and more sustained
7 quantities of recharge." This is a chapter well worth
8 reading. It's on the department's website as well. And I
9 really appreciate your testimony. I think it's great to have
10 someone who understands forests.

11 MR. PENNIMAN: May I also point out that that forest
12 is an ecosystem and all of the elements of that forest are
13 necessary for it to function as an ecosystem. Whether they
14 appear to be important to water because they're not animal or
15 plant which contributes to that, they are part of an
16 ecosystem. The thing we do with kids to show what happens is
17 we give people in a circle a string and pass the string
18 across. When people move the string, it moves the whole
19 thing. All of it is interconnected.

20 CHAIR HOWDEN: I think throughout Hawaii there's so
21 much degradation of native ecosystems that we often tend to
22 see it in pieces rather than as a whole.

23 Thank you, Jay.

24 And next Beverly Zigmond, followed by Sally Kaye.

25 MS. KAYE: Beverly couldn't be here this evening, so

1 she dropped off a signed letter she asked me to read into the
2 record with your permission.

3 Board of Water Supply, thank you for convening on
4 Lanai this evening so that our community can testify. I am a
5 resident of this island for nearly 20 years now. Although I
6 am unable to do so in person tonight, I offer my support for
7 the draft Water Use, Development and Protection Plan and I
8 urge your approval of this plan. I ask you to recommend the
9 draft for approval and adoption by the Maui County Council and
10 the State Commission on Water Resource Management. I urge you
11 to ensure incorporation of the Lanai Water Advisory Committee
12 as described in appendix H.

13 As you know, Lanai has no public agency which allows
14 for independent oversight of our water resource. As such, the
15 major developer continues to propose that, quote, "When we
16 need the water, we will find it," end quote. This arrogant
17 attitude erroneously and dangerously supports the tenet that
18 somehow water will always be abundant. It supports the
19 colonial philosophy that, "Since I own the land, I have the
20 right to appropriate the water for my provenance." Water
21 belongs to us all. It is a fundamental human right.

22 I trust that you will act responsibly on this
23 matter. Sincerely, Beverly Zigmond.

24 CHAIR HOWDEN: Any questions for Beverly?

25 Okay. Yeah, Gaye needs a copy of that. Thank you.

1 Sally Kaye, followed by John Irons.

2 MS. KAYE: My name is Sally Kaye, and I was
3 privileged to serve my community as both chair of Lanai
4 Planning Commission and its representative to the Lanai Water
5 Advisory Committee for several years. I am here tonight to
6 offer my support for the draft plan submitted to you by
7 Department of Water Supply staff.

8 As Beverly mentioned, here on Lanai we have no
9 public body such as yours to independently oversee system
10 operation, distribution and allocation. And we have no
11 publicly available avenue to ensure our watershed is restored
12 and preserved. Department staff recognized our system is
13 different than others in Maui County and that what works in
14 Maui central is not necessarily relevant here. Each island is
15 hydrologically unique. So they wrote a detailed plan for
16 future management and allocation that follows a statistically
17 sound, forecasted pace of growth, and is tied to specific
18 infrastructure improvements and expansions consistent with the
19 State's 1996 Numerical Groundwater Model.

20 This plan also remedies the absence of any
21 independent, on-island oversight by suggesting vital
22 safeguards be institutionalized to protect future generations,
23 such as those that appear in appendices E, F and H. While the
24 language in E and F may need additional work, the intent of
25 each is fundamentally critical to the future sustainability of

1 our water resource, our fragile single aquifer, and I urge you
2 to recommend to County Council that these measures be passed.

3 The current developer and several past utilities
4 directors have asserted that their development plans are
5 reasonable, but you are now being asked to scrap the Water Use
6 and Protection Plan, the work of dedicated community members
7 over the past 12 years, in favor of higher allocation numbers.
8 You should know that underlying this request is an admission
9 by the developer that the allocations proposed by the
10 Department of Water Supply "would hamstring us" in that they
11 are, quote, "trying to sell bulk parcels to another developer,
12 whoever wants to buy, so we need to make our land more
13 valuable," end quote. The higher allocation requested,
14 however, would exceed the State set sustainable yield of the
15 island and while it may serve the corporate bottom line of the
16 current developer, it remains based on unidentified source and
17 uncommitted funding. To rely on vague and empty promises to
18 pursue unidentified sources for unsecured funds is to sanction
19 water (inaudible) is both illogical and irresponsible and
20 should be soundly rejected.

21 I would be remiss in not showing support for the
22 rate recovery plan which appears in chapter 5. We pay \$7 for
23 a gallon of orange juice on this island, but only \$1.10 per
24 25,000 gallons of water. This plan places financial
25 responsibility over the long haul on the users rather than

1 continuing to rely on unsecured subsidizing of costs by
2 unidentified affiliates of the current developer.

3 The executive summary before you recommends a,
4 quote, "gradual deliberate build-out, not to exceed demand
5 represented by Project District Phase II entitlements," and I
6 can find no reason not to adopt this plan based as it is on
7 sound projections. It is your job -- our job to protect our
8 water. I strongly encourage you to adopt this rational,
9 community-based and realistic plan. In water, all things find
10 life. Let's not waste it even on paper. Thank you for the
11 opportunity to testify.

12 If I could make one suggestion, as a former member
13 of LWAC, I think some of the suggestions that Bryan made are
14 worthy of discussion in group, but I would suggest that they
15 come back to the LWAC members for possible modification.

16 CHAIR HOWDEN: Okay. Thank you.

17 Any questions?

18 Thank you. Gaye needs a copy of that.

19 John Irons followed by Diane Irons.

20 MR. IRONS: My name is John Irons. As a member of
21 the LWAC or the Lanai Water Advisory Committee representing
22 the community, I assure you that we have spent hundreds of
23 hours learning about our water system and listening to
24 community members' concerns about water. The views of
25 citizens, commercial interests, scientists, and agricultural

1 interests have covered the range from moderate to extreme in
2 all directions. You and your predecessors commissioned us to
3 help produce this plan for the Department of Water Supply. We
4 have followed our mandate. While no one will be completely
5 satisfied with the plan, I think it represents a reasonable
6 compromise. The plan is sensible, workable, and can be made
7 cost effective. I urge you to support this plan and do all
8 you can to guide it successfully through the approval process.
9 Please don't let this community down.

10 CHAIR HOWDEN: Thank you, John.

11 Any questions?

12 Come forward.

13 Thank you. Does Gaye have a copy of that? Thank
14 you.

15 Diane Irons, followed by Ron McOmber.

16 MS. IRONS: Hello. My name is Diane Irons and I'm a
17 resident of Lanai. I want to thank all of you coming and
18 allowing me this opportunity to testify today. Back in 1996
19 the Lanai Water Action Committee was made up the following
20 voting members: Two Lanai Company employees, two Lanaians for
21 Sensible Growth members, one Lanai Planning Commission member,
22 the County Council representative and three residents not
23 affiliated with the above. The lead agency was the County of
24 Maui Department of Water Supply. Various State
25 representatives who did not sit on the committee attended the

1 meetings as a resource.

2 In 1997 the first draft was developed. In June 2010
3 the final draft was completed and is being presented to you
4 for approval. For the past 14 years this group has worked
5 together to produce this plan. This plan may not be perfect
6 and it is certainly not set in stone, but I urge you to accept
7 this plan so we can move forward. Thank you.

8 CHAIR HOWDEN: Thank you, Diane.

9 Any questions?

10 Okay. Thank you. And please make sure Gaye has a
11 copy of that.

12 Ron McOmber, followed by Jim Clemens. Ron.

13 MR. McOMBER: Good evening. I'm going to stay
14 seated.

15 CHAIR HOWDEN: No problem.

16 MR. McOMBER: Again, thank you for showing up and
17 having a quorum. We appreciate you being here. Every one of
18 you have a copy or have seen a copy of this. This says, Water
19 Use, Development and Protection Plan." It isn't just has to
20 do with water numbers. It has to do with protection of our
21 aquifer. If you go to appendix C -- and I don't expect you to
22 read all appendix C right now, but this is the history. We
23 started doing this in '89. Now, the water working group
24 wasn't formed then, but a group of us got together with quorum
25 and we went -- we talked about a water use and development

1 plan with Kahoama (sp), who is still alive and very active in
2 it.

3 If you read this, you'll see that we have been
4 discussing water for a very long time. Diane Irons took some
5 of my dates so you already know what those dates are. This
6 isn't something that happened overnight. We met almost
7 monthly for years and years and years. Sometimes we didn't
8 have anything to talk about and then sometimes we had lots to
9 talk about. We have had six to eight water directors on
10 Lanai. John Stubbart is not the only water director. We have
11 had six or eight water directors over this span. Trying to
12 deal with that when every time we get a new water director on
13 Lanai they have a new way of doing it. I don't know if
14 they're told by Castle & Cooke: You have this amount of money
15 and this is what we're going to do, and then they find out
16 that the community is so involved in this 'cause we live here,
17 we know where the wells are, we know when they're broken, when
18 they have wellheads that are busted. The employees are Lanai
19 employees, folks. You know, this is the folks involved.

20 So it's really hard to tell untruths to the
21 community and especially the ones of us that are active.
22 Credibility has been a real hard thing to deal with here.
23 We've had to deal with people not telling us or not showing up
24 in a meeting and not wanting to tell us. This is really hard.
25 How do you put a work together when you read through here, you

1 see we didn't have a quorum or didn't have people because they
2 just didn't show up.

3 I'm not going to support the Water Use and
4 Development Plan because everybody else already has. I'm
5 going to make a couple points. Bryan said that it's unfair to
6 raise the fence. That may be true, but if that fence was done
7 when it was supposed to be done, it would be already done.
8 Our Water Use and Development Plan depends on that aquifer
9 being protected. We've still got miles of fence go yet that
10 they haven't put in. How do we do that? How do we protect
11 that watershed that Jay's talking about if we can't get the
12 fences up? The company has lagged behind and lagged behind
13 and lagged behind. It's their watershed, folks. It doesn't
14 belong to the government. It belongs to Castle & Cooke. And
15 that watershed is -- belongs to us, that water does.

16 You know, it's amazing to sit here and watch Castle
17 & Cooke stand up to this mike and choke up. This is the guy
18 who's supposed to be the head engineer. He can't even tell
19 you what he's supposed to be telling you. This is amazing to
20 me. I sit here and can't believe what I'm seeing. We have
21 this all the time. We asked him to come to a meeting last
22 week and nobody showed up. Because there are some items in
23 the city that we need answers on, like the broken main behind
24 the admin. building that went on two weeks. Hundreds of
25 thousands of gallons of water running down the street and

1 nobody can fix it. We had unaccountable water use on the
2 chart, hundreds of thousands of gallons a day unaccountable
3 for. That's not acceptable to us, folks.

4 CHAIR HOWDEN: Time.

5 MR. McOMBER: Again, thank you. This is really an
6 important document. We'd like to have you folks pass it on to
7 the council so we give the community plan -- this should be
8 part of the community plan. Thank you very much.

9 CHAIR HOWDEN: Okay. Before Jim begins, I would
10 like to say -- Any questions by the board?

11 Okay. Can't see any. We really respect and admire
12 the community's perseverance and input into this process. I
13 know it is very difficult. It's -- you know, I mean, when you
14 have a corporation that owns more than 98 percent of the land
15 on this island and is the only employer, largely, or about the
16 only significant employer. I think it's a very delicate and
17 tenuous process and -- but as I've gone through the plan and I
18 see the effort that has been put forth by so many people, I
19 really praise you guys and applaud you for your participation
20 in this.

21 Jim.

22 MR. CLEMENS: Thank you, Mr. Chair and board and my
23 neighbors. I'm Jim Clemens. I live here on the island. I
24 live down in Manele. And I just wanted to help you with a few
25 facts. The Four Seasons chain worldwide is green. In the

1 hotels there are notices. They ask you not to use -- not
2 to -- reuse your sheets, hang up your towels. They have put
3 out -- and, in fact, they're having new tables made so they
4 can eliminate tablecloths in the restaurant. The tables are
5 being built right here on Lanai. So they are making a
6 tremendous effort to conserve.

7 Regarding Manele, there are 70 homes in Manele.
8 Since 1996 54 of them are condominiums. There's only four
9 full-time residents that live at Manele. So the facts that I
10 heard are mind boggling to me where some of that is coming
11 from. There was an incident with a large home down there that
12 someone sabotaged his water line. It ran for days. The owner
13 was not on the property when it was discovered. And that's
14 when the thousands and thousands and thousands of gallons
15 happened. So I just wanted to try to express that.

16 The other thing we've been trying to do at Manele,
17 we have probably cut our water usage in half in the last year
18 and we haven't even begun to do the tip of the iceberg yet.
19 All the associations down there are looking for xeriscaping.
20 We've already made -- we're getting bids on it. Each
21 homeowner is trying to eliminate sprinklers. We're trying to
22 eliminate plants and using water -- plants that don't need so
23 much water. So there's a tremendous effort and drive on this,
24 but plus remember there's only four full-time residents.
25 There's 2,800 people up here in the city. So I just want to

1 try to keep it all in perspective. Thank you.

2 CHAIR HOWDEN: Thank you, Jim.

3 Board members, any questions?

4 Okay. Thank you.

5 Keba Maly.

6 MR. MALY: Aloha, Chair Howden and board members.

7 Thank you very much for coming to Lanai. I just wanted to
8 share a couple of lines with you and a thought. And I'm sorry
9 I didn't catch the beginning of the slide show and that's one
10 of the things that I did want to just draw a point of
11 attention to. But first, you know, what we're talking about,
12 here: (Speaking Hawaiian.) This life giving water of God.
13 (Speaking Hawaiian.) These are the sacred waters, just a few
14 of the sacred waters that are the source of Lanai. Lanai's
15 water is its life, as is the case with other places. But
16 here, as you've heard and as you know, it's even more deeply
17 engrained and imbedded in the life ways of the people. So we
18 have to look at -- (Speaking Hawaiian.) We're all one family
19 from the uplands to the sea, from one boundary to the next.
20 So we've got to ohana this place and take care of it.

21 So coming to that point, it's also -- when I was
22 watching part of the slide show, the PowerPoint presentation,
23 I noticed on something that was talking about key management
24 actions -- I don't know if that was quite the exact term, but
25 I was hoping that we might reconsider a couple of things. And

1 I heard a few people and you, actually, Chairman and Jay
2 addressed it I think appropriately, and Bryan Plunkett's
3 testimony as well. It's not enough to just talk about keeping
4 it status quo. There are things on Lanaihale that you'll see
5 nowhere else on earth. There are things that are so rare that
6 it's the last few of them that can still be found on that
7 mountain landscape. And each of those things are key to the
8 body formed by the gods, the creative forces that birthed
9 these islands and were the progenitors of the Hawaiian people.
10 So caring for them as a whole, as a family is very important.

11 This goes to the second point. I was concerned that
12 in Key Management Actions a comment -- and, again, I'm sorry,
13 I haven't gone through the whole packet, but it said to
14 remove -- the indication was to remove human impacts in the
15 area. I agree with that wholeheartedly, but we cannot remove
16 the access, the requirement of visiting these (Hawaiian),
17 these storied places on the landscape of that mountain.

18 (Speaking Hawaiian.) These are places that were life giving
19 and sustained the people of Lanai and are embedded in the
20 traditions of this place and these are traditions that we hope
21 to pass on to future generations. You don't do it by taking a
22 picture of it and putting it in a classroom and saying that's
23 how it is. So I just hope that we won't forget to maintain
24 that human relationship in contact with place. Mahalo.

25 (Speaking Hawaiian.) Keep the good, set the bad aside,

1 please.

2 CHAIR HOWDEN: Thank you so much for coming.

3 Do board members have questions?

4 He's a cultural expert, but I think a cultural
5 treasure. So thank you so much for sharing your manoa with
6 us.

7 Next is Chelsea Kahananui. Am I saying that right,
8 Chelsea?

9 MS. KAHANANUI: Yes.

10 CHAIR HOWDEN: Please come up. Followed by Butch
11 Gima and then Alberta de Jetley.

12 MS. KAHANANUI: Aloha, everyone. I'm Chelsea
13 Kahananui. I'm a senior here at Lanai High and Elementary
14 School. I am a student in the environmental science class.
15 What came to mind was the climate. What I mean was climate
16 change affecting the island. The climate change is increasing
17 rapidly around the world, so since -- if Lanai's temperature
18 increases, the colloid rises and so that wouldn't bring any
19 water to Lanai and Lanai is dependent on that rainwater. So I
20 just wanted everyone to keep that in mind on what will
21 possibly or could happen. Thank you.

22 CHAIR HOWDEN: Thank you, Chelsea.

23 Board members have any questions?

24 Okay. Thanks again.

25 And before Butch starts, I would just like to remind

1 folks you're welcome to sign up to testify. And if you're
2 kind of shy, then please write something. We would love to
3 hear from you.

4 MR. GIMA: Good evening. My name is Butch Gima.
5 I'm a resident born and raised here. I've been on this
6 committee since I think 1992. And based on the comments and
7 discussions we've had, some of the guiding principles that
8 have guided this committee and development of the Water Use
9 and Development Plan has been home rule is best. Home rule is
10 preferred. We also felt that the committee, working in
11 partnership with Castle & Cooke, we felt that was very
12 crucial. We felt that group decisions was in the best
13 interests of the committee, the Water Use and Development Plan
14 and our community.

15 And I think as someone has mentioned before, our
16 task was to come up with something to protect and preserve our
17 water resources. As I said, I've been on this since 1992.
18 This plan was very well thought out. It was not done in an
19 arbitrary manner or came up with by impulsive type of
20 decisions. There was a lot of continuity on this committee
21 over these years, which helped to compensate for a lot of the
22 turnover. As Ron alluded to earlier, there's been a number of
23 water directors and senior managers for Castle & Cooke. There
24 was a good cross-section in the composition of the Water Use
25 and Development Plan and as a result, the factors and

1 considerations I have listed on there helped to determine how
2 we came up with our plan.

3 Unlike other islands, we have only one aquifer and
4 we have no surface water. Unlike Maui and Molokai, which has
5 upwards of 84 and 400 million gallons a day of sustainable
6 yield, Lanai only has 6 million gallons a day of sustainable
7 yield. And I think someone has mentioned before both the
8 developer of most of the projects here and the water company
9 are one and the same. As a result, the Water Use and
10 Development Plan takes on a more conservative posture to keep
11 that in mind because the Water Use and Development Plan and by
12 institutionalizing the LWAC process, you provide the checks
13 and balances system.

14 Please note that the high percentage of overall
15 water used on this island goes down to the Manele project
16 district, which includes the hotels, the luxury homes, the
17 golf courses. And over the last ten years it increased from
18 45 percent of total water pumped a day to currently
19 approximately 70 percent of the water pumped today. I think
20 someone mentioned earlier, too, although we have one aquifer,
21 we have two sectors, both the leeward and windward sector, and
22 90 percent of the leeward sector is being pumped. In terms --

23 MS. HAYASHIDA: Time.

24 CHAIR HOWDEN: But you have at least another minute
25 and you're welcome to come back and finish, too.

1 MR. GIMA: Okay. I'll come afterwards and finish up
2 the other part of my testimony.

3 CHAIR HOWDEN: Okay. Great.

4 Any questions at this point from the board?

5 So we'll ask you later, then.

6 MR. GIMA: Okay. Thank you.

7 CHAIR HOWDEN: Okay. Thanks.

8 Alberta de Jetley.

9 MS. DE JETLEY: Aloha. Thank you for coming
10 tonight. My name is Alberta de Jetley. I am the editor and
11 publisher of the Lanai Today newspaper, but I am speaking to
12 you as the largest farmer on Lanai. I have an 82-acre farm.
13 You know, there are people on Lanai that talk and there are
14 people on Lanai that do. And I would like to publicly
15 acknowledge the wonderful work that John Stubbart is doing on
16 our island.

17 I started my farm in 2003 and for about three or
18 four years or until John came we had constant problems with I
19 would set out seedlings, I'd start to grow the seedlings, and
20 the water system would go down and I would be without water
21 for anywhere from three days to a week. And, of course, I
22 would lose all of the plants that I had started. When John
23 came on board, the very first time I actually met him was when
24 he came down with the water truck to help me figure out how I
25 was going to take care of irrigating a field I just started,

1 but my water system was done. We had water breaks constantly.
2 I was able to cancel an IPS grant for a water tank thanks to
3 the efforts of John. Under his tutelage, the water system and
4 the Palawai grid which I'm on has improved a hundred percent.

5 John does not only know the engineering part of it,
6 he knows the physical part. He knows how to motivate people
7 to get them to think about what they're doing and how they can
8 do a better job on the water system. One of the things that
9 John has really been helping is conservation of water
10 resources. About three months ago he came to me and he said,
11 "Alberta, let's talking about conservation. Let's get
12 everybody thinking about how we can save water." So John came
13 up with these water tips that we put into the newspaper every
14 month for him. It's a paid ad, but it tells people in our
15 community how they can conserve water, because every gallon of
16 water that they conserve is important to our island.

17 So, John, I really want to say thank you for all of
18 the hard work that you have done on this island. You're one
19 terrific guy. Thank you.

20 (Applause.)

21 CHAIR HOWDEN: Thank you, Alberta.

22 Any questions from members of the board?

23 Okay. So we're about to -- Butch is going to come
24 back up. Maybe other people who testified are going to come
25 back up. Is there anyone who like to speak or who hasn't

1 spoken before?

2 Please. And then you need to identify yourself so
3 we -- you know, show your driver's license. Thank you.

4 MR. GREEN: Good evening. I have a Hawaii driver's
5 license, actually. My name is Dave Green. I am a resident of
6 Lanai for about four years now and I reside down in Manele. I
7 have a couple of comments. One in particular is that I'm a
8 firm believer in the Lord helps him who helps himself. And
9 one of the things I see is the -- Castle & Cooke is on hard
10 times, cash flow's an issue. Financial viability? Who knows.

11 And while there have been discussions over the years
12 about our water problems, a lot of all these issues and
13 discussions and -- one of the things that a group of residents
14 from Manele and from Koele have done has been get involved in
15 the hale restoration project. We volunteered our time and
16 gone up to the hale and worked. I think when we worked up
17 there with Christine and her crew, they thought that -- they
18 had a number of tasks for us and they thought that maybe that
19 would take us all day to finish. I think we finished them in
20 about an hour and a half and then we got into the really heavy
21 work. And we all had a great time. I think we had 12 or 13
22 people.

23 We've also made a commitment to Jay and the water
24 restoration project to work 500 and -- a number of hours of
25 community involvement on the hale project. I would like to

1 say to the community we can put pressure on Castle & Cooke,
2 but I think we have a responsibility to help ourselves. And I
3 would like to encourage more people in the community to get
4 involved with Christine and the hale restoration project, to
5 volunteer your time. Those of who work, that can be
6 difficult. Those of you who are unemployed, it's something
7 you could do with your time. And I would like to encourage
8 the churches and the other organizations, the civic
9 organizations to stop pointing the finger at different people
10 and go up on the hale and see what you can do yourself to help
11 the community and help preserve the hale and help preserve
12 water on Lanai. Thank you.

13 (Applause.)

14 CHAIR HOWDEN: Thank you.

15 Any questions?

16 Councilman Sol Kaho'ohalahala, your council member
17 from Lanai.

18 MR. KAHO'OHALAHALA: Aloha kakau. I served on the
19 Lanai Water Advisory Committee and have served since 1993 when
20 I first became the council member of Lanai and I currently am
21 a member now that I'm on the council again. This process has
22 been long. There are members that are no longer with us that
23 started this Water Use and Development Plan. I want to call
24 to our memory some of those people who worked very hard and
25 whose passion was to ensure that the people of Lanai have

1 water. And one of them was Kumaula Eli Kaopuiki (sp). It is
2 the voices of those people that need to be remembered when
3 we're looking forward because as time moves on and as you can
4 hear this process has been nearly 14 years that you forget
5 some of the origins of this working group. And so I want to
6 remind you folks of where we began so we don't lose sight of
7 those voices as well, even though they're not here with us
8 physically, they're still with us spiritually.

9 The plan is a good plan. I want to advocate and say
10 that I think it's one that has been given not only time, but a
11 lot of thought and a lot of expertise. Ellen Kraftsow did an
12 excellent job to facilitate and move us through this process.
13 The thing that strikes me is that in this current term that I
14 have served one of the things that seems to have been
15 hindering us all the time and it was always a problem that
16 there was always getting near to decision making when we could
17 come to some kind of consensus that when we got to that point,
18 it always fell apart.

19 And I have to say in the last meeting that I
20 attended one of the reasons why I decided that it was almost
21 fruitless to continue is that Castle & Cooke made a
22 presentation then and admitted that the real reason that they
23 were hesitant about moving this forward in a consensus process
24 is because they wanted their allocations to water and they
25 wanted an ability to be able to sell their lands with those

1 water allocations. It struck me at that point that the
2 discussion no longer had to do with who the people of Lanai
3 were, what the needs of the community were, but it became a
4 corporate decision that put that profit before people. And
5 that to me is what was most discouraging in this process of
6 late.

7 So I think that the plan has come to fruition in
8 terms of bringing people, time, efforts, expertise together
9 and it is time for you to consider deliberating on this
10 seriously and advancing it to the council. I suspect that
11 when it gets to that point that there will be other
12 opportunities where Castle & Cooke will probably solicit the
13 council members to see if they can have further input in the
14 process and I expect that to be so. Let it be said that I --

15 CHAIR HOWDEN: Time.

16 MR. KAHO'OHALAHALA: So in my last bit I want to say
17 that I appreciate all of the time and the effort that everyone
18 has given. And I want to thank Castle & Cooke for coming to
19 the table and making sure that the information that we used
20 was accurate to the best that they could provide for. But in
21 the very end, my disappointment is that it became a corporate
22 position versus that of a people position. And I think that I
23 want to be an advocate for the people that have made Lanai
24 their home. This is my home. Our kupuna have come to this
25 place to make it our home.

1 And while people are coming here today and I
2 appreciate the efforts of the homeowners who are now looking
3 at restoration, the island of Lanai is in decline. Bob Hovey
4 told us that 25 years ago. And when you look at what's
5 happened from the time that Bob did his research on Lanai, the
6 resources, the natural resources, the flora, the fauna, the
7 reef systems, the mountains are in decline. They're all
8 related to our ability to take care of our watershed. Without
9 our watershed, we have no ability to live here.

10 (Speaking Hawaiian.) That's what we need to strive
11 for. So I thank you for your time and I hope you make the
12 best decision and I look forward for the council to deliberate
13 on this. Thank you.

14 CHAIR HOWDEN: Thank you, Sol.

15 Any questions from the board?

16 I think beautifully put.

17 Okay. Butch, did you want to come back up?

18 MR. GIMA: Thank you for the opportunity to finish
19 my testimony. As I was saying, some of the other
20 considerations that went into the plan was I think what
21 several have alluded to, I think Alberta talked about John
22 Stubbart. And he has been very helpful and the Castle & Cooke
23 team has been flexible in terms of working with the community
24 to come up with a plan.

25 One other thing is this is a dynamic document that's

1 going to be changing as market changes and management changes,
2 and so we are hoping that you guys don't mess around with this
3 plan too much. So I have four requests. One, if statutorily
4 appropriate, please institutionalize the Lanai Water Advisory
5 Committee. And there is a draft ordinance in one of the
6 appendices in the back.

7 CHAIR HOWDEN: Yeah, G and H. Yes.

8 MR. GIMA: Okay. Please approve the plan as soon as
9 possible and when the approval is made, please do it on Lanai.
10 I think it's important to approve it as soon as possible
11 because the community plan process will be starting up and
12 they will need to reference this document. Three, if there
13 are any changes that will be made, please do so only if
14 statutorily required. And, lastly, please respect the work of
15 the LWAC. Please trust the process that we went through over
16 all of these years. Even if you read the entire document, you
17 can -- you cannot capture all the blood, sweat and tears that
18 went into it, the intangibles and all the relationship
19 building that brought this plan together. Please don't go
20 there cut and paste. If you're going to do that, please
21 respect our community and the process and come back and talk
22 to us about it. Don't do that on Maui. You've got to do it
23 here if you're going to make any changes. Bottom line, I
24 would rather you guys respect the work we did, approve it,
25 pass it on to council so we can use it. Thank you.

1 CHAIR HOWDEN: Okay. Butch, just for your
2 information, our deliberations and recommendations are due at
3 the council by December 27th, which is very short. And
4 truthfully, I doubt that the -- I doubt that we'll be allowed
5 to come back. We came over once and that was a -- you know,
6 that was a failure, as John pointed out.

7 MR. GIMA: But we should not be penalized --

8 CHAIR HOWDEN: No, no, no. But what we basically
9 have, you know, we -- that they made an allowance for one
10 public hearing. And I will say that this public hearing, you
11 know, we did central and south Maui and we had two hearings,
12 one in Wailuku and one in Kihei. And there are more people
13 here tonight than at those two meetings combined. So I really
14 appreciate, you know, you guys' involvement in this. And I'll
15 just tell you straight, I mean, I don't -- you know, I can't
16 see us coming back. I would love to come back, but, you know,
17 in terms of the thing -- what I would do is try to -- try to
18 put get as much input into the board before we make our
19 recommendations to the council, which you guys already have.
20 But anything -- what your concerns are, because a lot of what
21 we're hearing tonight is really notable to us. Otherwise it's
22 just, you know, this magnificent document that Ellen put
23 together with you guys' help. So, you know, I just want to be
24 truthful to you and, you know, tell you where we're coming
25 from and what the constraints are that we're working under.

1 MR. GIMA: So Charmaine is bringing her directors
2 this Friday to Lanai, so who do we need to talk to there so --
3 to ensure that you guys can come back when you guys make your
4 decision on this plan?

5 CHAIR HOWDEN: Charmaine or Sheri Morrison, managing
6 director. I mean, you know, if -- and if you make it known to
7 Jeff Eng, the director of the Department of Water Supply, that
8 would be helpful. But I'm sure that we can reestablish our
9 quorum and return if they give us permission to do that. I'm
10 simply speaking for myself. You know, there was -- you
11 know --

12 MR. GIMA: So it's a fiscal decision.

13 CHAIR HOWDEN: Fiscal, yes. Fiscal is the thing
14 these days; right? That's all they talk about, is more jobs
15 and less money, so -- and I -- and that's true of, you know,
16 most county administrations. I mean, I don't think Charmaine
17 Tavares is an exception to that.

18 MR. GIMA: I mean, I hope you board can understand
19 some of the concerns, because we've gone through other bodies
20 from the County and State where they'll come for a hearing, we
21 provide input, but they'll make the decision on the other
22 island without telling us to our face or asking for
23 clarification. And we -- you know, maybe one or two of us
24 would be able to come over for the hearing on Maui or Oahu.
25 So I hope you can understand why --

1 CHAIR HOWDEN: Yeah.

2 MR. GIMA: -- I want you guys back here when you
3 made the decision. And I am hoping you, in addition to us,
4 can advocate with the Department of Water Supply and
5 administration to pony up some extra funds so you can come
6 back here because this is so important to our community.

7 CHAIR HOWDEN: Yeah, I appreciate that, Butch.
8 We'll do our best.

9 MR. GIMA: Okay. Thank you.

10 CHAIR HOWDEN: Yeah.

11 Anyone else? Please.

12 MS. GREEN: My name is Caron Green. I'm a resident
13 of Lanai. And mine is more of a question than a statement. I
14 have to admit that I have not read this whole book, but we
15 have talked several times about the hale tonight. And I'm one
16 people that's been up there to work on the hale and I am well
17 aware of the desperate situation up there and the fact that
18 this is an integral part of the whole plan.

19 Jay spoke to you earlier and then he said his work
20 was really tied to the 'U'au bird and the wind farm studies
21 that they were doing. And so they are not 100 percent on the
22 watershed. What they do is kind of -- the watershed is kind
23 of a side part of it all. So in my feeling we need to have on
24 this island some organization committed to working on the
25 watershed issues itself. Jay's group is small and even with

1 volunteers, you know, they can't always accommodate a large
2 group. So in order to tackle this monumental problem, is
3 there anything in the plan that encourages or, you know,
4 addresses these issues on the watershed and how we can move
5 forward in addressing the issues?

6 CHAIR HOWDEN: Basically, Water Resources
7 Protection, chapter 6, which I've been quoting from
8 extensively tonight, is the fulcrum for the water plan. You
9 know, without a viable watershed, without meaningful
10 restoration forestry, you won't have a continued habitation on
11 this island or you will have a greatly reduced population.
12 And I think as Sol brought out and as Kepa brought out, you
13 know, there are deeper questions. There are like, you know,
14 spiritual questions in terms of what your relation is to this
15 island.

16 I think it's hard times for so many people, you
17 know, and in a way, you know, we need -- we need the community
18 participation. You've had -- as Butch has pointed out and Ron
19 and other people, you know, that you have had community
20 participation for years, but it's been limited, you know. But
21 I think, my impression is, especially from reading this and
22 from listening tonight, that there is consensus in this
23 community about the primary importance of the watershed, you
24 know. And if you don't take care of that, you don't have
25 anything.

1 So, you know, hopefully the -- you know, as Butch
2 and other folks from the Water Advisory Committee have pointed
3 out, you know, that we'll be able -- this board will be able
4 to help establish a permanent committee for this island, you
5 know, so that the voices of all the stakeholders are heard.
6 It is, of course, a delicate balance. And, you know, it will
7 take tremendous good will and I think in many cases
8 forgiveness for people to really come together and make this
9 happen, but I don't see that there's any choice.

10 MS. GREEN: So let me understand, so what you're
11 saying is in this proposal -- proposed plan, there is
12 something there that is going to address the watershed
13 situation, something that has the mechanism for a concrete
14 plan, or is it all very nebulous?

15 CHAIR HOWDEN: That's a difficult question. Any
16 other board member want to --

17 MS. GREEN: In other words, does the impetus have to
18 come from outside this plan or does the plan have in it the
19 structure to go forward?

20 CHAIR HOWDEN: I think what -- what you see, Caron,
21 is the outline, the skeleton, but it needs to be fleshed. It
22 needs to have that breath brought in to it to give it life.

23 MS. GREEN: And whose responsibility is that?

24 CHAIR HOWDEN: Well --

25 MS. GREEN: It's not clear.

1 CHAIR HOWDEN: Actually, the way the public trust
2 doctrine works and what Edna was explaining in the beginning,
3 the real sexy part of the presentation, the State actually --
4 any government entity has a fiduciary to the scattered
5 populations, you know, under its purview to take care of all
6 the running waters and the groundwater in the state of Hawaii.
7 This doesn't happen. Okay? I mean, that's just like how the
8 politics is run here. But Lanai is such an interesting
9 predicament that you can't do without it. You can't do
10 without what's really pono in this way. And it requires a lot
11 of the corporation, it requires really depth of insight and
12 commitment to the future, and it also has required for decades
13 the participation of the residents of Lanai. I'm
14 roundabouting you, but, you know, I mean --

15 MS. GREEN: That's fine. Thank you very much.
16 Appreciate it.

17 CHAIR HOWDEN: Thank you.

18 Please come forward. And you have to sign there,
19 Gaye insists that you sign so that we have a formal record of
20 who you actually are.

21 Sure. Thank you. My name is Robin Kaye. I just
22 have a question. Mr. Chairman, you've been very helpful and
23 informative and I appreciate your comments, but we haven't
24 heard from anybody else on your board. And it would be really
25 wonderful if some of you would share some of your thinking.

1 You've listened to us for two hours and we haven't heard
2 anything. And we're delighted that you're here and we would
3 really like to hear some of your opinions, especially in light
4 of, as Butch says, we may not hear your deliberations in the
5 future. So please share with us some of your thoughts about
6 what you have heard about the plan and about where you think
7 this is going. Thank you.

8 CHAIR HOWDEN: Thank you.

9 VICE CHAIR ROBINSON: Thanks for invitation. I have
10 kept my mouth shut mostly because nothing that Michael has
11 said have I disagreed with. And you can be sure that if
12 Michael said something that I disagreed with, I would have
13 spoken up.

14 MEMBER LESTER: I came here to listen and I've
15 gotten a lot of good responses from all of you and I will take
16 it on to the committee.

17 MEMBER GERBIG: I thank you all for coming out. My
18 name is Don Gerbig. This is a learning experience. The one
19 thing that I -- has been brought out to me is how much work
20 that you have all done on this plan. And I really respect
21 that. I'm just -- I'm amazed it's just so much and then, like
22 Sol said, over so many years this thing has been going. It's
23 amazing finally it looks like it's coming to a head. But I
24 really appreciate all your testimony and I'm in the learning
25 phase. I thank you very much.

1 MEMBER HOXIE: Good evening. I'm John Hoxie from
2 Maui. You know, water is life for all of us. We can't -- we
3 can't live without it. Certainly the input of all you here
4 tonight and seeing you all here tonight shows how important
5 this resource is to you and your island. I agree with you
6 wholeheartedly that the watershed is the number one thing that
7 we need to focus on. This island is very different from Maui.
8 You have a private water system. But your input has been
9 tremendous into this whole thing, as well as Castle & Cooke.
10 They are -- they have a say in this thing, also. This is a
11 look to the future and that's what we're trying to do and
12 that's what you're trying to do. And hopefully we'll all have
13 the same bull's eye that we're shooting at. And I really
14 enjoyed hearing you all tonight and I thank you.

15 MEMBER BOTEILHO: I'm Kevin Boteilho. I'm probably
16 the newest member on the board. It's very enlightening to me
17 to go through this experience. It's also enlightening to see
18 all the people that show up to testify. It's an understanding
19 of how much it means to you, what the island means to you and
20 what the watershed means to you. And all of that will be
21 taken into consideration in -- I believe in all of our
22 decision on what to follow. I just thank you for showing up
23 tonight.

24 VICE CHAIR ROBINSON: And I would just like to add
25 my comment that I so appreciate all of you being here tonight,

1 because that's why we're here, is to hear from you. And we
2 will be very careful about our deliberations because
3 everything that's been said here tonight will be taken into
4 consideration. And I'm hoping that we can come back and
5 report our recommendations to all of you in person because we
6 love this beautiful island. I know I do. Thank you.

7 MS. GALLOWAY: I promise to sign it. My name is
8 Lisa Galloway. I teach science here at the high school,
9 Chelsea and about 80 other students. And if I missed it, I'm
10 sorry, I came in a little bit late, but those other 80
11 students will be invited also to give some testimony. Where
12 do we send that?

13 CHAIR HOWDEN: Again?

14 MS. GALLOWAY: Where do I -- my other students will
15 be invited to -- you know, I'll tell them about this meeting
16 and we'd like to know do we e-mail? So I can -- Yeah. I
17 think that would be great. Thanks.

18 CHAIR HOWDEN: Thank you.

19 Any more? Come.

20 MS. AKAU: Hello. My name is Ceysa Akau and I'm a
21 senior here at Lanai High. I wanted to make a short
22 statement. Before you approve or disapprove of anything that
23 was said tonight that you listen to one voice that's very
24 important to this island, and that's us, our haumana and our
25 akua. The students of Lanai High, I'm representing the class

1 of 2011. It's important to me that you keep Lanai, Lanai and
2 that you don't change Lanai from what it already is. Lanai is
3 very peaceful and very -- everybody comes to feel the aloha
4 spirit that Lanai has. And I don't want before -- after I
5 graduate, I don't want that to disappear and for my children
6 to know what Lanai was before and to live the life that we
7 did. And before -- again, before you disapprove or approve
8 anything that was said, make sure it makes sense to us as
9 well. And if you are coming back, I guarantee there will be
10 more students here to represent our school. Thank you for
11 coming.

12 CHAIR HOWDEN: Thank you.

13 And as I said to Butch, you know, please make it
14 known to Mayor Tavares to Sheri Morrison, our managing
15 director, and to Jeff Eng, the director of Water Supply that
16 you would like us, you know, to come back. And we would be
17 open to that.

18 Please.

19 MS. FERENTINOS: Aloha kakau. I'm Lisa Ferentinos.
20 I work for the Watershed Partnership Program. We help
21 support --

22 CHAIR HOWDEN: (Adjusting microphone.)

23 MS. FERENTINOS: Watershed Partnership are a
24 voluntary association of landowners, agencies and other
25 interested people that are working to protect the mountain

1 forests on all of our islands. We also have a partnership
2 here on Lanai and we'd like to expand that to include more
3 interest. We've had support from you guys. Very
4 appreciate -- we very appreciate the support you guys provide
5 on Maui and Molokai to the Watershed Partnerships there.

6 We've provided funding for some of the fencing
7 that's already on the hale and have provided to Jay Penniman's
8 project as well. And we would like to have more input from
9 other folks about how we can move forward. We do need to
10 finish the fencing. Our program, which is funded through the
11 conveyance tax, doesn't have the money to finish the fence.
12 We would like -- we need to pull everybody together and figure
13 out how we're going to make it happen. It does seem like, if
14 you read every report that's ever been written, the fence is
15 really the crucial first step and then removing the ungulates
16 within the fence. So anyone that's interested can come and
17 see me and make sure we have your contact information. Thank
18 you.

19 CHAIR HOWDEN: Any questions from board members?

20 Okay. Before Jay comes, we're going to take a
21 five-minute break, max. Okay? So thank you. We're recessing
22 for five minutes so the court reporter can rest her busy
23 little hands.

24 (Pause in Proceedings: 7:08-7:12)

25 CHAIR HOWDEN: Okay, guys. Can we be quiet so we

1 can actually hear what Jay's saying just as a courtesy? Thank
2 you.

3 And speak up.

4 MR. PENNIMAN: Thank you. My returning to the
5 microphone was really in response to Caron Green's discussion
6 that you had and to point out to the board that Lisa
7 Ferentinos just got up disclosed -- and Jennifer Tamashiro,
8 who is sitting in the back are here because tomorrow we're
9 having a meeting of the Watershed Partnership trying to bring
10 together that action which Caron was talking about doing to
11 really address these issues. And the importance of this
12 document to informing those discussions is -- you cannot
13 quantify. It's very, very valuable. And thank you for your
14 attention to it.

15 CHAIR HOWDEN: Thank you.

16 Matt, Matthew Mano, candidate for the council.

17 MR. MANO: Aloha. Thank you for coming tonight.
18 You know, there's many discussion about our watershed. I've
19 been there all my life. I've hunted that mountain and I have
20 seen that the -- the goods and the bad parts of it, the
21 erosions of it. You know, there's a few of us that have lived
22 here and hunted that area from the top all the way down to the
23 ocean. In the early days, in the early '70s and the '60s when
24 I was going to school year, we still hunted a lot and the
25 watershed was very well up kept. We used to have a lot of

1 goats and in the '80s they started to eradicate them because
2 of the watershed, because of the destruction, which was good.
3 But in those days we used to have a lot of rain, also,
4 pineapple was flourishing.

5 The only thing that the old company really took care
6 of was our waterlines. Every year the company would shut down
7 for six months, the company would send out the utility crew,
8 the welders, the mechanics to go out and take care of all the
9 waterlines. That means wherever it goes. It was well up
10 kept. Right now we've seen a lot of it just flowing out. And
11 sometimes I think the reason is that nobody really is taking
12 care of it. All the old-timers, all the plumbers that know
13 where the waterlines are, they're all passed. And nobody made
14 an effort to keep all the blueprints that the old company had.

15 And I think our watershed is very, very important.
16 To me, water is life. To me, water grows our food that we
17 need. It also takes care of all of our human life on this
18 island. So we need to figure out what we're going to do, how
19 we're going to take care of our watershed. And I think a lot
20 of things which the company has done is putting a fence line
21 and keeping out the invasive species, which was introduced
22 animals which is now up there, which that is a good idea,
23 also. But, you know, we need to get into perspective what is
24 important, you know, what is the water usage is more important
25 for. Is it for the human race or is it to build, build,

1 build, you know? And I don't mind seeing things being built,
2 but it needs to be controlled. It needs to be restricted.
3 You know, there needs to be an amount.

4 You know, people say that they need jobs. To me,
5 jobs should be sustainable. If we're talking sustainable
6 energy, we're talking diversified agriculture which is
7 sustainable, then I think we should also be sustainable in
8 what we get, you know, because we cannot keep -- the
9 government keeps telling us that we sustainable energy,
10 sustainable energy, but the government has not started off yet
11 to be sustainable. And that is my issue.

12 But I just want to thank you guys for being here
13 tonight and thank you for hearing the concerns of the
14 community, Lanai company, because it is a concern and we
15 don't -- like they say, we only have one aquifer. That's all
16 we've got. If this dissipates, we got no water. So where do
17 we go from here? Desalination? 'Cause the environment is
18 going to get all jammed up with desal, because it does cause
19 global warming, it will cause the ocean to warm up because the
20 return of the salt. Unless we use the salt to sell, then it
21 will cause the warming. Thank you.

22 CHAIR HOWDEN: Thank you, Matt.

23 Any questions from board members? They're just shy,
24 you know.

25 VICE CHAIR ROBINSON: We're just shy.

1 CHAIR HOWDEN: Hey, Kepa, will you close with an ole
2 for us? Is that okay? Just a Lanai meeting ole to say
3 good-bye to us and close the evening, if you would, please.

4 MR. MALY: Mahalo. I need to explain it first, just
5 so that we know what we're speaking of, and it's the beauty of
6 this place. The (Hawaiian) stands above the sea, one looks
7 across ii alono and down into basin of Palawai, feel the wind
8 (Hawaiian) really blowing above you. You look up to the
9 highest of the (Hawaiian), the moist forest grows, moistened
10 by the mists, the waters that are given at Waiapaa. If we
11 aloha, if we respect and love this place, it will care for us.

12 (Hawaiian translation submitted by Kepa Maly:

13 "Wai o ke ola.

14 He ui he ninau ka'u ia 'oe.

15 Aia i hea ka wai ola a Kane?

16 Aia i ka lani, i ke ao

17 I ka piko o ke kuahiwi.

18 Aia ka wai o Kane i Lanai Hale,

19 I Haalele paakai, I Maunalei,

20 I Nininiwai, i Waiapaa,

21 I Waiakaiole, i Waiakaahu,

22 I Waiakeakua, I Palawai,

23 Aia i Manele i ka wai kaohi ipu,

24 Aia la hoi ka wai a Kane...

25 Hookahi no ohana, mai uka a i ke kai, mai kahi pae a

1 kahi pae...

2 O ka mea maikai malama, o ka mea maikai 'ole, kapae
3 'ia.)"

4 CHAIR HOWDEN: Mahalo. Thank you very much for
5 coming. The meeting is closed.

6 (The proceedings were adjourned at 7:18 p.m.)

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C E R T I F I C A T E

STATE OF HAWAII)
) SS.
CITY AND COUNTY OF MAUI)

I, Sandra J. Gran, Certified Shorthand Reporter for the State of Hawaii, hereby certify that the proceedings were taken down by me in machine shorthand and was thereafter reduced to typewritten form under my supervision; that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings had in the foregoing matter.

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

DATED this 27th day of October, 2010, in Maui, Hawaii.

Sandra J. Gran

Sandra J. Gran
Hawaii CSR 424
Notary Public for Hawaii
Commission No. 200-198
My Commission Expires: 5/14/12

