

BOARD OF WATER SUPPLY  
COUNTY OF MAUI

REGULAR MEETING  
MINUTES OF AUGUST 25, 2011

The regular meeting of the Maui County Board of Water Supply was held at the Department of Liquor Control office conference room, 2145 Kaohu Street, Room 105, Wailuku, Maui, on Thursday, August 25, 2011.

CALL TO ORDER

The meeting was called to order by Chair Phyllis Robinson at 9:05 a.m.

ATTENDANCE

Members present: Phyllis Robinson, Chairperson  
Kevin Boteilho  
John W. Hoxie, Jr.  
William Kamai  
James Rust

Members excused: Patricia Eason  
Donald Gerbig  
Kelli Myers  
Ted Yamamura

Staff present: David Taylor, Director  
Paul Meyer, Deputy Director  
James Giroux, Deputy Corporation Counsel  
Jacky Takakura, Administrative Officer  
Agnes Nolan, Private Secretary  
Gaye Hayashida, Commission Support Clerk

Others: David Chevalier  
Tom C. Leuteneker, Attorney for David/Patricia Chevalier  
Mary Blaine Johnston, Deputy Corporation Counsel

ANNOUCEMENTS

None.

APPROVAL OF MINUTES

Chair Robinson asked for an approval of the minutes of July 28th, 2011.

Motion: Member Rust to accept the minutes of July 28, 2011.

Second: Member Hoxie

Discussion: None

Vote: Unanimous. Motion passed.

TESTIMONY FROM THE PUBLIC

None.

APPEALS

No appeals were scheduled for hearing on this day.

Chair Robinson noted that a roster of pending appeals was distributed to each member present and asked if any member had questions.

Discussion on Appeal No. 08-06 followed. Staff informed the board that this appeal by William Blietz has been placed on the September 22<sup>nd</sup> agenda at which time Mr. Blietz will sign the stipulation to dismiss or not.

Corporation Counsel explained that if Mr. Blietz doesn't sign it then there is no settlement. So that means this goes back into contested case mode.

OTHER BUSINESS

Discussion and possible action regarding Appointing a Hearings Officer to Preside Over Board of Water Supply Appeal No. 11-01

Ms. Johnston, representing the Director of Water Supply, asked that the Board consider appointing itself as a hearing officer in this matter. From past experiences, having the board hear the appeal from the beginning is much more economical, much quicker. If a hearing officer is appointed all that they will do is provide

recommendations to the board and it may end up going through the appeal process again if the parties disagree with the decision.

Mr. Tom Leuteneker, representing the appellants David and Patricia Chevalier, asked for an outside party to be the hearing officer for this appeal. He stated that the Board of Water Supply rules are "to be construed to secure the just and efficient determination of every proceeding before this board", as per §16-102-4 of the Board's Rules. The appellants believe that the appointment of a hearing officer will secure a just and efficient determination of this issue but that the Board would want to support the water director's decision to deny the water meter. A neutral person as the hearing officer is fair for the Chevaliers and they are asking this board to allow them to have a neutral hearing officer.

At this time the Board went into executive session.

After reconvening in open session, the Board, at the recommendation of Mr. Giroux, announced their decision by having Ms. Hayashida read into the record the following motions that were made in executive session.

Motion: Member Boteilho moved to deny the appellant's request for an outside party to hear the case.

Second: Member Hoxie

Discussion: None.

Vote: Unanimous, motion carried.

Motion: Member Kamai moved that the Board of Water Supply be the hearing officer on this case.

Second: Members Hoxie and Boteilho

Discussion: None.

Vote: Unanimous, motion carried.

The parties involved in this matter were directed to meet outside to schedule the hearing date and other deadlines. At this time Mr. Leuteneker, Mr. Chevalier, Ms. Johnston and Ms. Hayashida left the room.

COMMUNICATIONS

Transmittal of the Maui County Council's Resolution No. 11-75  
Relating to Approving a Time Extension for the Council to Pass the  
Second Update of the Water Use and Development Plan

No action was taken as this was only for the board's information.

UNFINISHED BUSINESS

Discussion and possible action regarding the Board of Water  
Supply's Recommendation(s) to the Maui County Charter Commission

The board was given 2 positions to review, a semi-autonomous board or no board.

Member Hoxie said that it is his understanding that the board was going to only focus on only one letter and they had decided to go with the semi-autonomous position.

Motion: Member Rust moved to accept the letter recommending a semi-autonomous Board of Water Supply.

Second: Member Boteilho

Discussion: Member Hoxie stated that this covers pretty much what they had talked about and it looked real good.

Member Rust commented that they should tell Ed Kushi that he did a real good job.

There being no further discussion the chair called for a vote.

Vote: Unanimous. Motion carried.

Chair Robinson added that the letter recommending a semi-autonomous board will be signed by her and the Ramseyered version of Chapter 11 will be attached to it.

The board agreed to send Chair Robinson and/or Member Hoxie to attend the Charter Commission meeting when the issue of the Board of Water Supply's recommendation comes up

Motion: Member Rust moved that Chair Robinson and Member Hoxie attend these public hearings.

Second: Member Boteilho

Discussion: Director Taylor suggested that it would be better to say that either the Chair and/or Member Hoxie can represent the board in these Matters; that way the board has a backup.

Chair Robinson said that at any public hearing of the Charter Commission where the board's recommendation is being discussed that either she or Member Hoxie will be at that meeting.

Motion: Member Rust amended his motion to have either Member Hoxie and/or Chair Robinson attend the public hearings of the Charter Commission when the Board of Water Supply's recommendation is being discussed.

Second: Member Kamai

Discussion: There being no further discussion the chair called for a vote.

Vote: Unanimous. Motion carried.

At this time Chair Robinson called for a five-minute recess.

#### DIRECTOR'S REPORT

None.

#### DIVISION REPORTS

##### June 2011 Division Reports

At this time Director Taylor gave a power-point presentation that he previously presented to the Maui County Council's Water Resources Committee.

The presentation covered Priority Policy Issues questions on maximum annual rate increase, maximum meter fees, maximum annual debt allocation for DWS. Should meter fees vary by location? Should low-cost areas subsidize high-cost areas? Should current

customers subsidize new users? And should we subsidize rates for competing user groups?

Other points brought up in this presentation were Priority Management Initiatives, 6-year CIP schedules, a 20-year business plan, source development, and the Upcountry meter list.

The director concluded by saying that he hopes this presentation has given the board some ball-park idea of what it's going to take to achieve what, what the department is looking at, and what are some of the decisions that need to be made.

Chair Robinson commented that this is the best presentation of the whole picture that she had ever received in her 4 years on this board.

Director Taylor gave credit to his staff in what they had put together. Now the department has a clear idea of where they are, and they are ready to take that next leap. He believes the FY13 Budget could be a big year for the department but it's going to take some really hard decisions.

Member Kamai asked if there are hard copies of this power-point presentation.

Director Taylor replied that hard copies may be available in a month or so when the department fine tunes some this.

ADJOURNMENT

There being no further business the meeting was adjourned at 10:55 am.

Prepared by:

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Gaye Hayashida  
Commission Support Clerk

Approved by:

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David Taylor  
Director