

BOARD OF WATER SUPPLY
COUNTY OF MAUI

REGULAR MEETING
MINUTES OF NOVEMBER 17, 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, November 17, 2011.

CALL TO ORDER

The meeting was called to order by Chair Phyllis Robinson at 9:02 a.m.

ATTENDANCE

Members present: Phyllis Robinson, Chair
Kevin Boteilho
Patricia Eason
Donald Gerbig
William Kamai
James Rust
Ted Yamamura

Members excused: Kelli Myers
John W. Hoxie

Staff present: Dave Taylor, Director
Edward S. Kushi, Jr., First Deputy Corporation
Counsel
James Giroux, Deputy Corporation Counsel
Holly Perdido, Fiscal Officer
Helene Kau, Assistant Fiscal Officer
Gaye Hayashida, Commission Support Clerk

Others: William Blietz
Elliott Luke
Jane Lovell, Deputy Corporation Counsel
Mary Blaine Johnston, Deputy Corporation
Counsel
Cammie Gillett, Court Reporter

ANNOUNCEMENTS

None.

APPROVAL OF MINUTES

Chair Robinson asked for approval of the minutes of October 27, 2011.

Motion: Member Yamamura to accept the minutes of
October 27, 2011.

Second: Member Eason

Discussion: None

Vote: Unanimous. Motion passed.

TESTIMONY FROM THE PUBLIC

None.

APPEALS

The appeal proceedings for Appeal Nos. 10-01, 11-02, 08-06, and 11-01 were transcribed separately by the court reporter.

UNFINISHED BUSINESS

None.

OTHER BUSINESS

Discussion regarding Repairs and Maintenance of the Waikamoi Flume and Reservoirs in order to store more water.

Director Taylor gave a brief update on the repair work.

1. The blueprints for the flume replacement of the flume are beyond 50% of the design process.
2. Reviewing how we're doing, what materials will be using, etc.
3. Received somewhat of a verbal indication from the Army Corp of Engineers that we may not need a stream crossing permit.
4. Working on an EA and Conservation District Use amendment.
5. Working to get a few more permits
6. Expecting to go out for bids and encumber funds maybe in 2012

Receipt of Board Member request for agenda items to be placed on future agendas

There were no requests for agenda items by Board Members at this time.

COMMUNICATIONS

Member Kamai asked that based on the Director's presentation at a previous meeting regarding restructuring of the divisions, if we are any closer in issuing water meters for Upcountry.

Director Taylor replied that he can address this in the Director's Report.

DIRECTOR'S REPORT

Just a few weeks ago they were looking into procedures in declaring drought for Upcountry then it started raining and now all the reservoirs are full. Director Taylor assured the Board that we should be fine until next spring.

As far as the Upcountry Meter List, the council passed an ordinance to allow use of the Hamakuapoko wells. Because the plan now is to send the well water to Upcountry we are doing a new EA. The original EA/EIS talked about the well water going to Central Maui.

Hopefully, in about a year from now if there are no court challenges, we will operationally and legally be able to use those wells and issue letters to roughly the first 500 or so applicants. These letters will inform the applicants what they specifically need to do so the letters may be slow in coming out.

Minimum cost that the applicant needs to come up with is between \$10,000 and \$15,000 and may go up to hundreds of thousands of dollars depending on how far they are from a reasonable point of connection. As we go through the list, Director Taylor stated that because of the economy he has no idea how many of these applicants will be able to afford even the \$10,000 to \$15,000.

(At this time Deputy Corporation Counsel James Giroux left and First Deputy Corporation Counsel Edward Kushi resumed as counsel to the Board.)

Director Taylor recollects that the applicants have 30 days and can ask for a 2 year extension but wasn't sure exactly what the rules say. Mr. Kushi added that the council extended it to 5 years for Upcountry.

So it is possible that we could send letters to the first 500 applicants and they may all ask for a 5-year extension. We could be basically finished and we haven't given out a single meter. The next 500 cannot step in to take their place. We have to save it for 5 years.

Member Boteilho asked the Director about the break-ins and stealing equipment at the Kamole Weir.

Director Taylor responded that we have filed police reports when someone broke in and stole some copper roofing. There was no indication of any sort of any danger to the water system itself and we have taken action regarding security for materials and equipments.

DIVISION REPORTS

September 2011 Division Reports

There were no questions or comments from board members on this.

(Member Yamamura left the meeting at this time.)

BUDGET

Fiscal 2013 Budget Presentation

Holly Perdido, Fiscal Officer, and Helene Kau, Assistant Fiscal Officer gave a brief presentation of the Fiscal Year 2013 Proposed Budget which will be transmitted to the Mayor and the Budget Office this month.

Attached and made a part of these minutes are the Proposed Revenue/Expense Breakdown for Fiscal Year 2013 and the Department of Water Supply 2013 CIP list.

Motion: Member Rust recommended that the Department send the Fiscal Year 2013 Proposed Budget to the Mayor's Office.

Second: Member Eason

Discussion: None.

Vote: Unanimous. Motion passed.

At this time Director Taylor announced that they hired former Deputy Director Jeff Pearson as the new engineer to be in charge of the Department's CIP Section. The Director further stated that we do not have a start date for him yet but it is imminent. We are very happy to have him leading the capital improvement program.

ADJOURNMENT

There being no further business the November 17, 2011 Board of Water Supply meeting was adjourned at 11:17 am.

Prepared by:

Gaye Hayashida
Commission Support Clerk

Approved by:

Dave Taylor
Director

**County of Maui
 Department of Water Supply
 Proposed Revenue/Expense Breakdown
 for Fiscal Year 2013**

11/8/2011

REVENUES	Subtotals
Charges for current services	
Current charges	\$49,151,158
Revenue est	46,000,000
7% Rate Increase	3,151,158
Others	\$694,378
Interfund Transfers	\$795,000
Carryover Revenue Fund/Reimb Ob Fund	7,264,733 \$7,264,733
WSDF CIP	3,500,000 \$38,750,000
GENERAL FUND TRANSFER	10,000,000
SDWLF CIP	17,950,000
New Bond Issue CIP	7,300,000
TOTAL REVENUES	<u>\$96,655,269</u>
EXPENSES	
Operating Appropriations	46,766,687 \$53,105,269
OPEB	1,287,578
Debt Service	5,051,004
CAPITAL REPLACEMENT PROGRAM	
Transfer to Capital Replacement Fund	\$4,800,000
WSDF CIP	\$3,500,000
GENERAL FUND FOR SOURCE	\$10,000,000
SDWLF CIP	\$17,950,000
New Bond Issue CIP	\$7,300,000 \$43,550,000
TOTAL EXPENSES/APPROPRIATIONS	<u>\$96,655,269</u>

PROGRAM BUDGETS:	FY2012 BUDGET	FY2013 REQUEST	CHANGE AMOUNT	% CHANGE
Water Fund				
Administration	1,212,576	1,203,384	(9,192)	-0.8%
Department Wide Expenses	13,502,686	12,357,432	(1,145,254)	-8.5%
Fiscal/Customer Service	2,473,326	2,555,702	82,376	3.3%
Engineering	1,723,324	1,823,896	100,572	5.8%
Water Resources & Planning	2,167,374	2,218,865	51,491	2.4%
Water Treatment Plant Operations	6,658,118	6,757,970	99,852	1.5%
Field Operations	6,857,704	7,140,334	282,630	4.1%
Plant Operations	18,510,986	19,047,686	536,700	2.9%
Total	53,106,094	53,105,269	(825)	0.0%

EQUIPMENT: Included in Summary above

Administration	18,800	18,800	0	n/a
Fiscal/Customer Service	6,800	86,800	80,000	1176.5%
Engineering	6,800	36,800	30,000	441.2%
Water Resources & Planning	19,653	56,000	36,347	184.9%
Water Treatment Plant Operations	0	0	0	n/a
Field Operations	83,000	365,630	282,630	340.5%
Plant Operations	58,000	581,500	523,500	902.6%
Total Equipment	193,053	1,145,530	952,477	493.4%

DEPARTMENT OF WATER SUPPLY - 2013 CIP

Code	CATEGORY/PROJECT	2013
COUNTYWIDE		
F	Facilities	2,000
CO	Conservation	
	Countywide Conservation Program-DSM	1,000
	Countywide Source (Development/Acquisition)	10,000 GF
	Countywide Waterline Upgrades	500
Wailuku-Kahului Community Plan Area		
S	SOURCE	
WC	Well Construction	
	Iao Well - Development (Wailuku Well No. 2)	1,200
Tr	TRANSMISSION	
	Wailuku Heights Booster	2,500
Kihei-Makena Community Plan Area		
Tr	TRANSMISSION	
	Maui Meadows Booster #18	1,100 SRF
	Halama Street	1,150
Paia-Haiku Community Plan Area		
W	Wells	
	Haiku Exploratory Well	1,500
	Paia System Improvements	3,000 SRF
Makawao-Pukalani-Kula Community Plan Area		
S	SOURCE	
W	Wells	
	Waikamoi Flume	10,000 SRF
T	TREATMENT	
C	Capacity Upgrade	
	Kamole Plant Intake	750
St	STORAGE	
T	Tanks	
	Kamaole Tank area Replacement (6" & 4")-11,500"	2,000
	Haliimaile Tank Replacement	700 SRF
Tr	TRANSMISSION	
	Omaopio/Olinda Waterline Replacement (12")-11,000'	
D	Distribution	
P	Pipe Replacement	
	Kaupakalua Road Waterline	1,000 SRF
	Hamakuapoko Site Upgrades	2,000
Hana Community Plan Area		
S	SOURCE	
W	Wells	
	Waiuku Well Replacement	1,850 SRF
West Maui Community Plan Area		
S	SOURCE	
W	Wells	
	Mahinahina Exploratory Well	1,000
Molokai Community Plan Area		
S	SOURCE	
W	Wells	
	Kaunakakai-Kawela Well Development	300 SRF
		43,550