

# WATER RESOURCES COMMITTEE

Council of the County of Maui

## MINUTES

March 12, 2014

Council Chamber, 8<sup>th</sup> Floor

**CONVENE:** 9:04 a.m.

**PRESENT:** VOTING MEMBERS:

Councilmember Michael P. Victorino, Chair  
Councilmember Mike White, Vice-Chair  
Councilmember Donald G. Couch, Jr.  
Councilmember Stacy Crivello  
Councilmember Don S. Guzman

**EXCUSED:** VOTING MEMBERS:

Councilmember Gladys C. Baisa  
Councilmember Robert Carroll

**STAFF:** Kimberley Willenbrink, Legislative Analyst  
Tammy Frias, Committee Secretary

Ella Alcon, Council Aide, Molokai Council Office (via telephone conference bridge)  
Denise Fernandez, Council Aide, Lanai Council Office (via telephone conference bridge)  
Dawn Lono, Council Aide, Hana Council Office (via telephone conference bridge)

**ADMIN.:** David S. Taylor, Director, Department of Water Supply  
Jeffrey T. Pearson, Civil Engineer VI, Engineering Division, Department of Water Supply  
Gary Y. Murai, Deputy Corporation Counsel, Department of the Corporation Counsel

**OTHERS:** Jonathan Starr  
Rosemary Robbins  
Additional attendees (2)

**PRESS:** *Akaku--Maui County Community Television, Inc.*

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CHAIR VICTORINO: . . .(*gavel*). . . Good morning. The meeting of the Water Resources Committee, March 12, 2014 will convene. We're four minutes after nine and my apologies for being a little late. First of all I'll ask everyone to please turn off their cell phones or put them on silent, decorum will be held in this Chamber at all times. Let us start by introducing the voting Members that are here this morning and thank you for being here. First of all, Vice-Chair of the Committee, Mike White.

VICE-CHAIR WHITE: Aloha, Chair.

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CHAIR VICTORINO: Good morning and aloha. Our young lady from Upcountry, Ms. Baisa is excused, and also our East Maui representative, Mr. Carroll is excused today. From South Maui, the distinguished one, Mr. Don Couch.

COUNCILMEMBER COUCH: Good morning, Chair.

CHAIR VICTORINO: Don't worry, I got words. And our lovely lady from the island of Molokai, Stacy Crivello.

COUNCILMEMBER CRIVELLO: Aloha, Chair.

CHAIR VICTORINO: Aloha, good morning. And the young one, the dynamic one, Mr. Don Guzman from Kahului.

COUNCILMEMBER GUZMAN: Good morning, Chair.

CHAIR VICTORINO: Good morning. And just in case anybody doesn't know who I am, Mike Victorino, the Chair. I don't have any other adjectives to add to that.

UNIDENTIFIED SPEAKER: Do we have that option?

CHAIR VICTORINO: No you do not, sorry. Three minutes has been given up. Okay, today we only have one item. It's going to be a presentation and it's WR-6(1), Committee's Priorities and Procedures; Presentations from the County Administration Agencies (Department of Water Supply Presentation) and that's the only business we have today. But before I get to that, let me continue to finish up with those who are here from the Administration. Our Director of the Water Supply, Mr. Dave Taylor.

MR. TAYLOR: Good morning, Chair.

CHAIR VICTORINO: And Mr. Jeff Pearson, he's the Head Engineer from the Department of Water Supply for CIP.

MR. PEARSON: Good morning, Chair.

CHAIR VICTORINO: Good morning. And this morning we have Gary Murai, as Corporation Counsel standing in for Mr. Kushi. Good morning, Mr. Murai.

MR. MURAI: Good morning.

CHAIR VICTORINO: And of course our capable and what I call fantastic Staff, Ms. Kim Willenbrink, our Legislative Analyst, and Tammy Frias, our Committee Secretary. Good morning, ladies, and thank you.

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MS. FRIAS: Good morning.

MS. WILLENBRINK: Good morning.

CHAIR VICTORINO: I will now...

UNIDENTIFIED SPEAKER: Hang up on everybody.

CHAIR VICTORINO: Son of a gun, you were on, oh sorry yeah. This is the technical difficulties I face. First of all, I'd like to check with the District Offices and see if there's anyone that's available to testify and then we'll start testimony. Dawn Lono from Hana, good morning, are you there, Dawn?

MS. LONO: Good morning, Chair. This is Dawn Lono in Hana and I have no one waiting to testify.

CHAIR VICTORINO: Thank you. Denise Fernandez from the Lanai Office, are you there, Denise?

MS. FERNANDEZ: Good morning, Chair. This is Denise Fernandez on Lanai and there is no one waiting to testify.

CHAIR VICTORINO: And of course the island of Molokai, the lovely Ella Alcon, are you there, Ella?

MS. ALCON: Good morning, Chair. This is Ella Alcon on Molokai and I have no one waiting to testify.

CHAIR VICTORINO: Thank you and we'll get back to you in case...I think we'll not have long testimony here either. You know what, do we have anybody who wants to testify? Okay, is there anyone in the gallery who would like to testify? Seeing none, I'm not going to go through the dissertation on today's agenda, we have no testifiers. So Lanai, Molokai, and Hana, I'm going to close public testimony unless somebody walks in. Hearing none, with no objections, I'm going to close public testimony.

COUNCIL MEMBERS: No objections.

CHAIR VICTORINO: Public testimony is closed.

**ITEM WR-6(1): COMMITTEE'S PRIORITIES AND PROCEDURES; PRESENTATIONS FROM COUNTY ADMINISTRATIVE AGENCIES (DEPARTMENT OF WATER SUPPLY PRESENTATION)**

CHAIR VICTORINO: Got it, got it. Okay, so let's get started and I already read what we're going to be talking about today. We're going to need maybe two minutes to put the screen down and get the

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presentation started. Mr. Taylor, before we start, do you have any opening remarks and if not, then we'll go ahead and get started.

MR. TAYLOR: Just a couple, Mr. Chair.

CHAIR VICTORINO: Sure.

MR. TAYLOR: We're going to be putting on a presentation today and there's also a Water Resources Committee meeting next Wednesday, we'll be putting on a different presentation. Next week will be an update on the presentation we try to give you every year, 20-year projection of rates, fees, projects, water supply, water demand. Sort of what we like to call the pre-budget presentation so you understand what our overall management plan is, that'll be next week in the format you're used to seeing. Today's presentation is just going to be status of existing Capital Improvement Projects. It's basically a visual tour essentially of projects we have all over the place. Jeff Pearson, the head of our CIP group is here, he will be putting on the presentation which the reason we didn't hand it out, it's basically pictures just showing you tanks and pumps and pipelines and giving you a sense of what we're doing. Jeff will be walking you through all of the projects, a lot of the projects we're doing and giving you a sense of their size, their scope, what's in design, what's coming. But it's really, there won't be much numbers, it's really just sort of a almost a tour of the projects we're doing just so you get a sense of what they are and how big they are and what's going on. So that's today and next week will be much more long-term numerical based with all of our long-term projections, so thank you, Mr. Chair.

CHAIR VICTORINO: Thank you. So if there's no objections, I will put the meeting in recess, please don't leave your seats Members, we'll get started in a few minutes. This meeting stands in recess. . . .(gavel). . .

**RECESS: 9:09 a.m.**

**RECONVENE: 9:17 a.m.**

CHAIR VICTORINO: . . .(gavel). . . The meeting of the Water Resources Committee March 12, 2014 will reconvene. Go ahead, Mr. Pearson.

*Note: Computer-generated presentation.*

MR. PEARSON: Thank you, Mr. Chair. Thank you, Mr. Chair and Members of the Water Resources Committee. Again my name is Jeff Pearson, I work, they call me Head Engineer for the Capital Improvement Program for the Department of Water Supply and today it's just kind of a random look at a bunch of projects. They're spread out over a bunch of fiscal years, some of which you see is going to be actual a picture of a field where it shows that we're going to be doing the design of a well in that area. So some of these projects are at the very beginning, some hopefully are at near the end, and I'm just going to run you through a bunch of, and this isn't all the projects that we're working on. Last count, I think we were greater than 50 projects that we have

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in some stage or another that we're working on. I have support of three engineers, a draft person, and of course Herb Chang is my superior that helps guide me through all these projects. So we'll just go through here and I'll share with you some of the work that we're doing. This is Napili A Tank, obviously in Napili. There's a well site here too, it's replacing a smaller tank just to increase the storage for the West Side. We're near, real near final completion of this project. There's been a bunch of delays but we're real near the completion so this will be off the books fairly soon. Iao Well and Motor Control Center, that building is where all the electrical controls are, and you know wells are pretty unobtrusive, it's those few little piping on the left side that's the well head that's going to help alleviate and alleviate the Shaft 33 pumping, that's one of four wells that's in the program. Of course that's right up by the Iao Tank site right above the County building here. Kapaa Tank, that's further out towards Kahakuloa, that also has a well site. If you look just past that roller in the back you can see some piping, that's where the well is located and that's the new tank associated with that well. This has been somewhat of a delayed project for many reasons, but we're also getting close to getting this online and as part of the system. Paia-Kuau waterline improvements, this is, we were just about to begin construction and because it's a construction nighttime we're going to need, by Department of Health we need a variance for noise for night work, so there's a public meeting taking place March 27<sup>th</sup> at Paia Community Center to notify the public of that, the work that's going to take place, and soon after that we'll begin the work. This actually if you travel through the area, there's eight-inch pipeline and a twelve-inch pipeline that run parallel, and there's laterals to feed hydrants and services on both lines, but the eight-inch is quite old and has failed many times, so we're not really installing new pipeline, we're just bringing the laterals that are on the eight-inch and putting them on the newer twelve-inch to reduce any failures to that old eight-inch line. Wailuku Exploratory Well, that's, this is a little older picture, we're getting ready for the development phase. We have the bid out and the construction has just started on that or going to start in the next week or two. That's just above the Kehalani Subdivision, kind of above the Wailuku Shaft 33. This is another one of the four wells that's going to offset when we shut down Shaft 33. Upper Omaopio Road Tank, there was some issues in the construction, I mean this one took a while to get moving. It's further along than you see it here. Hopefully we'll complete this one in the next few months and it's replacing that tank, the smaller tank you see on the right there. This is on the same road, just of course below that one, this tank was replaced and it's in operation, it's been in operation for probably close to a year already. Haliimaile Tank, this is on Baldwin Avenue, this is next...the existing one is on the left, that's the one we're replacing. As you can see, we haven't started construction yet, the design, this was an in-house design, we're trying to push a little harder at doing some in-house design, of course that saves money. We also do some in-house construction, same purpose of course to reduce costs and to get the job done at a better rate for our, better fees for our customers. This tank is going to be, the new tank is going to be located just across Baldwin Avenue in the Maui Land & Pineapple field, pretty much same elevation, a little larger tank. H-Poko Wells Tank and Booster Pumps, I think you guys have gone over this more than once, and we're getting ready, we're having a pre-construction meeting tomorrow to improve the tank size and upgrade the booster pumps that are there now, so that's pretty exciting to get that going. Kamole Treatment Plant High Lift Boosters, on the left side is the old booster station, you can count four pumps there, pumps and motors. On the right side, you can count five, the far-right fifth pump was added for reliability and for increased pumping if needed. So

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that's in operation and working well. There's still a few minor construction issues but it's in operation. These are Waihee Wells Backup Generator, that's the unit you see on the left is the existing new, well the new generator that's been there for a while. It's been a year or two that it's been in place. We have a proposed Fiscal '15 for some additional generators for different wells throughout our system, but we won't talk too much about Fiscal '15 until the time is right. This is the Olinda Treatment Plant at the top of Olinda Road. There's a sedimentation basin that has, that's the raw water, and the sedimentation basin, it's, I don't know what year it is but it's pretty old basin so we're going to re-line that this summer when we have low flow and it's drier conditions up there. Piiholo Treatment Plant organic carbon, this is to improve the raw water quality coming out of the Piiholo Treatment Plant, not too much details but the Disinfection Byproduct Stage 2 Rules became in effect, so of course to meet those the water quality has to be of higher water quality. The organic carbon that you see here, the four vessels will be able to achieve higher quality coming out of that plant. Waikamoi Reservoirs, these are the two 15-million-gallon reservoirs that are relatively close to the end of the flume. These are the ones that were built way back, you know Kahakapao, the two 50-million-gallon are also at the end of this line. But this is the water that's at kind of the upstream end. So it's still valuable to have this storage, there's two 15-million-gallons reservoirs, so we're lining those and doing some maintenance and improvements around the reservoirs to also meet the dam safety requirements of the DLNR. I think water supply, we have six reservoirs that are considered dams that we need to meet those dam safety requirements. Okay, this is just I have to throw these in because this is just the beauty of Waikamoi and I'm working my way towards the flume project so it's a little fuzzy there, but that's an Ohia Forest that is...I'll just...you can just look at it and please speak with the Director sometime if you need to get up there and you haven't got up there because it's a blessed place to be. That's a picture of the old Waikamoi Flume near the intake at the Haipuena Stream. It was a rainy day. So that's what's being replaced. This is another look at that same old flume, the redwood flume, I'm sure you've heard much about it but this is just another beauty shot, sorry it's beautiful. This is the beginning, this is the superstructure for the new Waikamoi Flume, the rectangular flume sits inside of those, you can see the supports there, and there's like a thin piece of plastic and it kind of floats on that plastic so it can kind of move small amounts of deflection but it can move within that superstructure. That pipe on the side, that's, it's just going to stay there, that's from another intake that we, that the pipe collects water from another intake and it's parallel, it goes parallel to the flume. So okay, why didn't you just take that water from that pipe and make the flume larger and throw it in the flume. Well, we wanted to keep the dimensions of the flume to the original dimensions so as not to I say appear that we're taking more water from the intakes than we are originally. So that's partly political but that's, we wanted to keep it consistent with the older flume dimensions. Here is further improvements to the flume, you can see the flume sitting in there now, I think I show one more where there's the walkway on top. I mean if you don't look at the flume, just look at the background, again it's amazing to be up there. The Hawaiians, they didn't even send the Ali'i up there, it was too sacred for the Ali'i to be even up there, so it was a very sacred area. Yeah, here's a portion of the completed flume with the walk rails on one side and the nice walkway. The flume right now, just it's more than halfway complete. We're about halfway through the construction period so it's pretty much, it's on time, it's within budget, we're, there's no real issues of any extra expense. They're crossing a larger gulch now so they're getting in to the

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tougher portions of the flume where there's more terrain to struggle with, but it's so far you know, I don't want to say too much bachi, but it's going well and it's a good project. Moving on, this is the Olinda Treatment Plant. Let's see what is this, okay it's the same, you can see in the background that's the same reservoir that I spoke of earlier and we're doing a preliminary engineering report to try to optimize the process, the operation at the plant. Not really increasing, it'll increase the capacity of the plant without really doing much effort except optimizing it and improving the operation that's currently there. Iao Treatment Plant design, this is the existing Iao Treatment Plant, the three microfiltration units, we're going to make it, you know you can see they're just sitting out in the open and it's exposed and it's not the best conditions, so we're looking at doing it, we're doing the design right now to house this in a regular treatment plant building, look at another contact tank for the treatment of the water, and it'll just be mauka just behind the camera that you're looking at now. So it would be in the same exact area, working with Kehalani partners to, whatever they, what are they, RFC, RCFC to acquire that land just mauka of that plant here, existing plant. That's the 3-million-gallon Iao Tank in the background there. Kamole Raw Water Storage, this is the four bay of the Kamole Weir, you can, right side, this is pretty much the same thing, it's a four bay, looking at raw water storage near the Kamole Treatment Plant to of course alleviate times when there's drought. These are just not much excitement but this is a waterline replacement project in Wailuku. We try to do these when we can, and you know it of course it improves fire protection and replaces undersized lines. Piiholo Treatment Plant Controls, at the Piiholo Treatment Plant they've got real old SCADA and control systems, this happens to be the lab but the whole operation of the treatment plant has controls that we're going to replace, and we're just reviewing the bids for this project now so construction should start real soon. Another waterline project, to toot our horn about this one a little bit, we had an outside design and bid out the upper portion of Upper Kimo Drive, and then Public Works came to us and said well, they're looking at paving upper, the whole Upper Kimo Drive. So we said well shoot, let's get up and get the lower portion of the waterline in prior to Public Works paving; therefore, we can you know save our costs on the paving costs, and so we did this, this design is in-house and these guys aren't 'cause this is an earlier project but, and our DWS guys are going to be doing the work on the lower portion. So another example of in-house, in this case in-house design and in-house construction. Wakiu, this is out in Hana. This is, there's two wells there now, this is the third well to replace, let's see what is it, Wakiu B which was, had a high salts, it's not a thick lens to work with as far as pumping the water from the aquifer, and one well went bad with high chlorides so we drilled another well in the near vicinity to replace the well that went bad. So in this one, the exploratory well is pretty much complete, this is when they were doing the pumping and the testing, so the development construction should start I think we have a Notice to Proceed of like April 1<sup>st</sup> or something. So we're moving forward with the completion of this project. Kind of across from the high school, Hana High. This is just another tank replacement. This is kind of, well, in my life it's a little old, this was pretty much completed before I started work at Department of Water Supply. You can see the new tank in the background and the old tank in the foreground. This is another waterline project in Kihei, no real story, I mean we just replacing undersized waterline to improve fire protection. Dave asked me why am I showing a tank that leaks here. This is the old tank that we're going to replace, it's Omaopio Tank, it's up actually at the top of the Upper Kimo Drive and this comes from the sources from the Piiholo Treatment Plant, and this is a

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2-million-gallon steel tank that came out of World War II so it's time to go. And here's one reason you can see, if you can see that lighter color there, that's the flow of water leaving the tank. So this has been repaired in the past but what is this, yeah, this is 2012, this picture, so this work has been done to alleviate this leak but we're gonna, we're in the design phase, just beginning the design phase for the replacement of this tank. This is that field where there's nothing yet, this is the second well in West Maui that we're looking at. The design is complete and we're looking at doing the exploratory well more or less above the Mahinahina Treatment Plant. This is the other well that's further along, we've done the exploratory work, we had some issues with the recovery of this well so we're looking at trying to improve the recovery. So this well is still I guess you could say it's still in its exploratory phase, but we, if you remember, we have the funding for the development, so hopefully everything will go well. We are going to start the testing again this month. So if those tests come out positive, then we will start the next development phase that has already been approved here. This is another future well, we're working on the design, we have Honokahua A and B, and the B Well is crooked and there's some issues with that one. So we're looking at, even if we can keep the B Well in some sort of condition to pump it out at a lower rate, we're looking at a third well in the Honokahua area. There's a long ways to go, we're still just siting the well so we haven't even spoke with the landowners yet and you know we want to get the well located and on a map someplace before we discuss with the landowners. This is just another pretty picture because we're getting to the end of the slide presentation and I'd like you to leave the presentation feeling good. So that's a pretty picture, and one more pretty picture and that's about it. So hopefully I didn't ramble too much and thanks for listening and that's just a portion of some of the projects we're working on. So thank you, Mr. Chair.

CHAIR VICTORINO: Thank you, Mr. Pearson. The meeting will stand in recess for a few minutes. . . .(gavel). . .

**RECESS: 9:36 a.m.**

**RECONVENE: 9:37 a.m.**

CHAIR VICTORINO: . . .(gavel). . . The March 12, 2014 Water Resources Committee will come to, come back to order. Thank you, Mr. Pearson, for that pictorial of our water systems, and tanks, and storage, and sources. You know it's been a while since I went up to many of those things, I've got to go take another ride up there 'cause it's, you kind of forget what it looks like. At this time I will open the floor to questions, Members? Yes, Mr. White.

VICE-CHAIR WHITE: Thank you, Chair. One of the questions I had was you mentioned the Hamakuapoko Well project, and I was wondering what kind of a timeframe we're looking at when those will be up and pumping.

MR. TAYLOR: The Hamakuapoko Wells are 100 percent fully functional right now. We've finished all the water quality testing and we have a couple dotting I's and crossing T's left, but we expect to begin Upcountry meter issuance very, very soon, probably within the next couple of weeks. The

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tank and the booster pumps that Jeff talked about during the presentation will add to the reliability of the system but they're not necessary to use it. So as soon as we get past the little bit of phase we're in right now, we'll be able to use it if we need to. These improvements will enhance that operation but they're not necessary to use it. So we'll get those done as quickly as we can to enhance the reliability of it, but we should have the H-Poko Well fully functional for any possible Upcountry drought this coming summer.

VICE-CHAIR WHITE: Good, thank you. And then the other question I had was with respect to the pumping up in to reservoirs higher than like the, I know you're pumping from Pookela I'm assuming up to Kahakapao, is that correct?

MR. TAYLOR: There's actually no way to get water in to Kahakapao.

CHAIR VICTORINO: No.

MR. TAYLOR: Kahakapao water only comes one way. What happens is during the drought periods we try to leave enough water in the Kahakapao system so that the people just below the Olinda Treatment Plant can be served by the Olinda Treatment Plant, just a very small amount the makes it through the drought. Most of the other people we pump water up to them. So we never actually fill the reservoir, we have no way to fill the Kahakapao Reservoirs with any other water, but we pump water up to serve customers who are below the Olinda Treatment Plant.

VICE-CHAIR WHITE: Okay, then that's my mistake. I thought that you were. When you explained it last year, I thought you were saying that you were pumping water in to the reservoirs using the reservoir capacity as opposed to pumping continually.

MR. TAYLOR: What we're working on is there's some other, there are a lot of other projects we didn't go through this morning. We're working on a way to reduce the organic carbon in the Kahakapao system to the Olinda Treatment Plant so we can switch that plant from chloramines to free chlorine. That's how the rest of the system operates. If we can get that working, then we can mix water whenever we like and the Upcountry people won't get these notifications, hey we're changing your disinfection. Once we can mix that water, then we can save the Kahakapao water for the drought and pump earlier and switch back and forth as we please. So that's more of a medium range plan, let's say for the next five years or so, to change the way we operate Upcountry so that we can juggle water between the systems differently than we do now, which would allow us to pump earlier in the season and get more pumping from wells like Pookela and save the Kahakapao water for when we really need it. So that's something that we're still working on. There were no slides in this presentation about that, but that is also an ongoing project.

VICE-CHAIR WHITE: And do you have a similar plan for the Waikamoi Reservoirs or is that...

MR. TAYLOR: How that system works, the Waikamoi Flume comes out of the forest reserve in to the two Waikamoi 15-million-gallon Reservoirs that you saw in today's presentation. Then that

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water runs in to the two 50-million gallon Kahakapao Reservoirs and that goes to the Olinda Treatment Plant. So that's a linear system.

VICE-CHAIR WHITE: Okay.

MR. TAYLOR: It's basically, it essentially is a 130-million gallon reservoir made up of four individual components that all serves the Olinda Treatment Plant.

VICE-CHAIR WHITE: So they're all connected.

MR. TAYLOR: They're all connected.

VICE-CHAIR WHITE: So the water for Kula comes from the Olinda Treatment Plant or is that...

MR. TAYLOR: That, as long as there's water, that treatment plant is at about 4,000 feet elevation. So the Piiholo Treatment Plant is roughly at about 3,000 feet elevation. So basically we try to use if there's water at that elevation, we try to use that water between 4,000 feet and 3,000 feet. We use the 3,000-foot water, 3,000-foot down to the Kamole Plant which is at 1,100, you know and then use that, and only pump when we need to. So ideally if we have high level water, we try to leave it as high as it can, medium level water at the medium elevations, et cetera, and we have the ability to pump up when we need to. But the goal is to try to have, keep the water running downhill and pump as little as possible.

VICE-CHAIR WHITE: Thank you. Thank you, Chair.

CHAIR VICTORINO: Thank you. Other questions for Mr. Taylor? Okay, and I knew this meeting would be a very short one, because you're really more the pictorial aspect of what we're going to be talking about next week. Next week we get in to real nuts and bolts of the upcoming budget and all that. So and maybe, Mr. Pearson, you'd like to add a few comments on what's happening as being the Chief Engineer of CIP, what can we anticipate this year? Put the man on the spot.

MR. TAYLOR: Before we put Mr. Pearson on the spot, let me just say that we're, the Mayor will be proposing the Budget on March 25<sup>th</sup> and we're not going to start spilling the beans about what's in there before that. So at the same time next week, we'll be showing you our updated version of our 20-year plan which gives some indication of what our priorities are, and what you're going to see is more things like this, there's not going to be any one huge project that saves the day. What we're doing and how we've analyzed the systems, we've looked for the little weak links in the chain all over the systems and we are upgrading those as need be. So as you saw in today's presentation, there's no one big project that's the savior of anyone's problems. There's a lot of relatively small projects that added together can create, can meet our needs. You're going to see more of that. There's really nothing coming up that is some one great project. There are lots of things that are getting rid of these weak links in the chain. One reason we wanted to put this on today, over the last couple of years we made a point of the long-term strategic plans, we've been showing you that and it tends to look kind of academic. I don't want people to forget that we're

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not waiting until that's finished. As soon as we know what we're doing, that goes right to implementation. So Jeff's group has bumped up Capital Improvement implementation from about 10 million dollars a year from what it was just a few years ago, and this year it's 30 million dollars and that's where we're going to try to keep it. So part of today's presentation was to show everyone that we're not just you know playing with graphs, I mean these projects are getting done and we have already ramped up and our ability with our group, with Jeff's group to do 30 million dollars a year is real, it isn't just theory. So next week again we're going to go back in to sort of theory and academia of what we're planning long-term, but I want everyone to know that we're not waiting for that. These projects are already happening and these guys have already ramped up to about 30 million dollars a year.

CHAIR VICTORINO: Mr. Pearson.

MR. PEARSON: So I don't know if I'll be put on the spot here, but I guess that was the kind of the idea of this, Mr. Chair, that was the idea of this presentation to kind of toot our horn. Of course, we don't do everything right and we make mistakes and projects come in sometimes over budget and sometimes behind schedule, but I'm proud of the, just the couple of years I've been here I have a good supervision with Herb Chang that guides me and keeps me pushing on these projects, and I have three engineers that I think do a good job getting projects out. I just pretty much manage these three engineers, I have a project or two, but I can't toot my own horn for actual putting out the projects. But we're trying to, you know, the goal is to, when you approve that CIP budget, the goal is to spend that money that you approved, and I think we're doing a pretty good job on that. The most recent year, the money, most of the money that was lapsed was due to the fact that projects came in under budget, there wasn't much that wasn't completed that you heard about. So I know that's tooting your horn, but I don't get that chance too often so I'm going to do it when I can. I have a list here of projects that I didn't have on the screen and there's probably 15 or 20, some not too exciting, but there's a bunch of projects that weren't discussed here. But hopefully none of them are too exciting and the fact that we can just get them done and we have the approval of the Council to do them, we get them done, no one gets excited about it and they improve the system. That's fine for me. So thank you for your time and I appreciate the time to speak, Mr. Chair.

CHAIR VICTORINO: Thank you, and I didn't want anybody spilling the beans either. But I'd like to, you know, again this helps us when we go in to Budget, it helps all of us to be aware of what needs and where and how you intend to spend money, and I'm also very glad to hear that you're not only getting the job done but getting it done under budget and that's very positive. I think that's something we haven't heard for a long time. I'd like to hear that more often but we'll see. Also, the other thing I like is you taking on projects in-house. I think that's something we've talked about for many years and I've seen more and more in the last few years of in-house projects, which not only saves us money but actually is the sweat and equity of our people, and it really makes the project a lot more palatable and lasting because they take ownership. It's funny how when you do something yourself, right, Mr. White, you take ownership for it, right, and so...no, I'm glad to see that and I'd like to see more often whenever and wherever logistically possible, us continue that trend.

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MR. TAYLOR: Mr. Chair.

CHAIR VICTORINO: You wanted to, go ahead.

MR. TAYLOR: Mr. Chair, along that same line because we are heading in to budget and what I'm going to say probably applies to Public Works and Environmental Management as well as us. In the old days, 20 years ago, we used to just come to Council for a big chunk of money for planning, design, construction in one year. Because the permitting was easier, there weren't as difficult issues with Environmental Impact Statements and all these sort of subjective permit reviews, we could come up with an idea, do a preliminary design, get permits, and get it out to bid in 18 months. That is just not possible anymore. The methodology has become far too complicated along with the procurement rules that have changed since then. You just can't do that in 18 months anymore. So I think what's happened in the transition to a lot of the departments is if they kept trying to do it the old way, they lapsed the money because you just couldn't do it that fast. What we've done, and I think what the other successful departments, Environmental Management, Public Works, what we've changed to, is taking a project and separating it into two or usually three phases, preliminary engineering in one fiscal year, where we look at options, lay out possible alignments of pipelines, technology, et cetera. Then next year we ask for money for design and permitting. A lot of times that takes two full years, so then we skip a fiscal year and ask for construction funding. If you break a project up in to those fiscal years, you tend not to lapse the money because that's about the real timing that it takes. What that means is you have to think about your needs about five or six years before you need them, not two years before you need them. So I think what you'll see from the successful Capital Improvement departments in the County, in the State, is that once you get in this mode of looking out six or eight years, what will I need then, you're not really going to lapse any money if you schedule it right, and that's what we've shifted towards. So I think that's why we feel very confident that we won't be lapsing money, because we're breaking it up in to chunks and we won't ask for the next chunk until we're ready for it. And again, moving in to budget, you're going to see the same thing with Public Works, the same thing with Environmental Management. I think that's how we've all changed our project development methodology, and with that the budgets look a little different and we come back a little more often and talk about the same projects, but that's why and I think that's how we can avoid what happened in the past of lapsing large amounts of money.

CHAIR VICTORINO: Thank you. Any other questions? Yes, Mr. White.

VICE-CHAIR WHITE: Not a question, but one of the things that was brought up in our NACo discussions regarding transportation funding relates to what you've just outlined, the timeframe between wanting to do a project and completing it in water and in transportation has been extended to extraordinary lengths by all the things that we have done essentially to ourselves in some cases and the Federal government has done to the State and the State has done to the counties. And one of the items that was a major point in the discussions at the Transportation Department was that they're realizing that they really have to look at streamlining the process, because they're wasting money because of the processes in place. And I think we all support the

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kinds of environmental reviews and other things to protect the environment and protect the community, but at the same time we need to be realistic in noting that the longer it takes us to get these things done, the more it's going to cost us in the end, because prices don't go down generally. We had one opportunity in 2009-2010 where prices actually probably were suppressed a bit, but I don't think any of us foresee that happening again anytime soon hopefully. So I just bring it up because it's something that I think we're going to have to look at. I know the Planning Department and Public Works are trying their best to start trimming down the process, but I think we need to look at the degree to which we can trim the process down for the projects the County is doing as well.

MR. TAYLOR: A number of us, myself included, are involved on two levels. We're involved on this level saying look, this is the system as it is, but I'm involved with some groups across the State trying to come up with recommendations with State law and things like that, how to streamline the process. We're not just saying hey, this is how it is, we're stuck with it. On one hand, we're trying to streamline it, at the same time, look this is what it is now so we have to deal with it. But I think you're going to find that a number of us in the County are involved with our colleagues across the State trying to do exactly the things you're talking about.

VICE-CHAIR WHITE: And I recognize it, that's been a focus of the Administration for the last several years, it just, it's not just us, it's, you know, at the National level we have that challenge as well. And it all trickles down and it ends up costing us all a bit more money, so I just wanted to share that comment. Thank you, Chair.

CHAIR VICTORINO: Thank you, and you know, we were at the same meetings and even the Feds are beginning to recognize the fact that, you know, unless we collaborate and start looking at methodologies of working together, it's just not going to work. And I think the day of reckoning has come and I think that's what I see here, and all of us have to be accountable and it starts with right here at the County level where the rubber meets the road. We're the ones, you know. But you know Jeff and Dave can tell you that we've been part of AWWA and Hawaii WWA for the last, a lot of years, and Mr. Starr back there has been a member too as long as many of us have been around doing this, 12-13 years now, and you know it's an evolution because we're all sitting down now and saying how can we all work together. Even the Department of Health has come in to the picture and wanting to work with us. So there's great signs, there's good signals being sent. The challenge is now do we follow through on it and not let it slide. So, I'm happy where we're at and I think we can move quicker and I hope that we can get more things done. Anyhow, any other questions? If not, I'm going to thank the Administration for being here, thank the Staff for being here, thank you Members for being here. I know it's not even 10 o'clock but hey, you know that's okay, I know you guys have other busy schedules to attend to. So with no objections, I'm going to close the...

MS. WILLENBRINK: Defer?

CHAIR VICTORINO: Oh defer, yeah, okay. Any objections to defer? I was going to get to that, sorry.

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COUNCIL MEMBERS: No objections.

**COUNCIL MEMBERS VOICED NO OBJECTIONS** (excused: GCB, RC).

CHAIR VICTORINO: Okay, thank you. Alright so with no objections, I'm going to defer this matter and close the meeting for March 12, 2014. . . .(gavel). . .

**ACTION: DEFER pending further discussion.**

**ADJOURN:** 9:56 a.m.

APPROVED:



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MICHAEL P. VICTORINO, Chair  
Water Resources Committee

wr:min:140312

Transcribed by: Marie Tesoro

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CERTIFICATE

I, Marie Tesoro, hereby certify that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 28<sup>th</sup> of March 2014, in Wailuku, Hawaii

A handwritten signature in cursive script, reading "Marie Tesoro", is written over a horizontal line.

Marie Tesoro